

Magazine

Better City Government

Taxes and Life Insurance

Uranium Frenzy

About Hiring Negroes

Birth of An Expressway

December, 1954 • 35c



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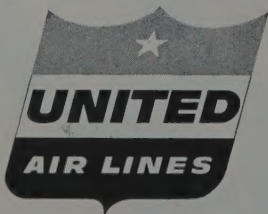
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statistics of...

Chicago Business

	October 1954	September 1954	October 1953
Building permits	856	996	8
Cost	\$ 22,836,000	\$ 21,688,000	\$ 20,949,4
Contracts awarded on building projects, Cook County	2,796	2,115	1,6
Cost	\$ 79,976,000	\$ 59,604,000	\$ 44,444,0
(F. W. Dodge Corp.)			
Real estate transfers	8,202	8,636	7,9
Consideration	\$ 5,390,476	\$ 5,238,366	\$ 6,544,8
Department store sales index (Federal Reserve Board) (Daily average 1947-49 = 100)	109	109	1
Bank clearings	\$ 3,957,991,290	\$ 4,044,991,567	\$ 4,031,915,9
Bank debits to individual accounts: 7th Federal Reserve District	\$21,327,000,000	\$21,778,000,000	\$22,988,000,0
Chicago only	\$11,150,469,000	\$11,222,075,000	\$11,670,476,0
(Federal Reserve Board)			
Bank loans (outstanding)	\$ 2,619,000,000	\$ 2,704,000,000	\$ 2,800,000,0
Midwest Stock Exchange transactions:			
Number of shares traded	1,586,374	1,665,000	1,088,0
Market value of shares traded	\$ 56,282,377	\$ 56,650,569	\$ 36,603,2
Railway express shipments, Chicago area	910,630	866,066	1,061,6
Air express shipments, Chicago area	69,236	65,885	67,2
L.C.L. merchandise cars	19,197	18,402	20,9
Electric power production, kwh	1,449,323,000	1,401,078,000	1,473,119,0
Industrial gas sales, therms	12,408,343	11,218,081	14,188,0
Steel production (net tons)	1,452,400	1,255,500	1,717,7
Revenue passengers carried by Chicago Transit Authority lines:			
Surface division	44,099,220	43,067,951	49,583,0
Rapid transit division	9,428,131	8,931,871	9,916,3
Postal receipts	\$ 12,697,615	\$ 12,661,161	\$ 13,449,0
Air passengers:			
Arrivals	336,279	340,774	309,7
Departures	350,073	352,757	321,7
Consumers' Price Index (1947-49 = 100)	117.1	117.4	117
Receipts of salable livestock	421,184	405,919	473,4
Unemployment compensation claimants, Cook & DuPage counties	59,990	67,029	23,7
Families on relief rolls:			
Cook County	23,782	22,916	16,3
Other Illinois counties	15,062	15,054	11,3

January, 1955, Tax Calendar

Date Due	Tax	Returnable to
1	Renew city business licenses which expired December 31, 1954	City Collector
15	Illinois Retailers' Occupation Tax return and payment for month of December, 1954	Director of Revenue (Illinois)
15	Final payment of 1954 estimated tax by individuals. Last day for filing amended, or first estimate by farmers, for 1954 (or you may file a final 1954 return and pay the tax due)	District Director of Internal Revenue
15	If total O.A.B. taxes (employer and employee) plus income tax withheld in previous month exceeds \$100, pay amount to or remittance may be made at end of month with quarterly return directly to	Authorized Depositor District Director of Internal Revenue
31	File Employer's Application for Termination of Coverage report, for employers who did not have employment experience in 1954 equal to six or more employees for 20 weeks. (Illinois Form UC-1C.) Must be filed prior to Feb. 1, 1955.	Director, Dept. of Labor
31	Illinois Unemployment Compensation contribution and wage report and payment for fourth quarter of 1954 (Forms UC-3 and UC-40)	Director, Dept. of Labor

(Continued on page 24)

COMMERCE

Magazine

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lan Sturdy, Editor • Gordon Rice, Advertising Manager • Gordon Ewen, Associate Editor

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in this issue...

Too few Chicagoans know what the Home Rule Commission recommended in its recent report to Mayor Kennelly. Yet, the report is a document of vital importance to the cause of modernized, effective city government here. On page 13 are the essential facts about the report, written by the commission's chairman, Leverett S. Lyon.

• • •

If you own life insurance, you can't afford to skip Bernard Epstein's article on page 15. The new tax law has made major changes in both the estate and income levies on insurance proceeds. In our opinion, to read the article is to become convinced that your whole life insurance planning needs a thorough re-examination in the light of the new tax provisions.

• • •

The gold rush of 1849 had nothing on today's prospecting for uranium ore in the Rocky Mountains. Lewis A. Riley's article (page 16) ably describes the sudden-riches fever that is sending thousands of small prospectors armed with Geiger counters into desolate territory.

• • •

Chicago's non-white population increased 80 per cent between 1940 and 1950, a period in which the city's white population actually declined. The wartime influx of negroes has changed the character of the city's labor market. Today, for a variety of reasons, many firms are faced with the problem of whether they should take on negro help. The article (page 19) by Grant Ellis is full of valuable advice for such firms.

• • •

Work started on the Congress Street Expressway in 1940 and yet no earth was turned until 1949. The expressway will not be opened until 1956 or 1957. Phil Hirsch tells (page 21) of the time-consuming problems—both legal and engineering—in the mammoth job of acquiring the land and cutting a swath through the heart of a major city.



FARMS THAT "GROW" CONCRETE TO BUILD A STRONGER AMERICA

Two of the strangest farms in America "grow" concrete in northern Illinois and central Georgia. They are the Portland Cement Association experimental farms, where scientists study the effects of weathering on concrete in northern and southern climates.

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"Plantings" made on farms, starting in 1940, consist of rows of concrete slabs, posts and boxes which simulate pavements, structural columns and walls. Specimens contain different proportions and combinations of materials used in making concrete.

Research like this is a continuing and expanding activity of the Portland Cement Association. Out of this research comes technical information on the best concrete mixtures and the best construction practices for building structures exposed to all conditions of service and weather.

Such information is made public immediately and freely through the Association's field engineering service and its educational and promotional program which is made possible by the voluntary financial support of its 68 member companies.

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The Editor's Page

The Chicago Story

All subscribers to *COMMERCE* are receiving with this issue a separately bound second section called *THE CHICAGO STORY*. It is a commemorative issue celebrating the fiftieth anniversary of *COMMERCE* and its publisher, The Chicago Association of Commerce and Industry.

In some fifty articles and more than 200 pictures it tells the story of Chicago's industrial, scientific and cultural progress in the years 1904 to 1954.

Having in mind that Chicago many years ago acquired the name of the Windy City because of the civic bragging of its citizens, we and our editorial associates made a conscious effort throughout the preparation of *THE CHICAGO STORY* to suppress hometown pride and let the facts speak for themselves. Despite this, in instance after instance, the reader will find that Chicago is first in this, biggest in that, pioneer or world center of something else. It is, in short, a city of accomplishments fully justifying today the superlatives earlier generations applied to it.

Moreover, even the casual reader will quickly see that Chicago has lost none of the dynamic force which won it international renown in the nineteenth century. Its citizens may not brag as much, but they have no less reason to.

We commend *THE CHICAGO STORY* to you not only for its informational value, but as a much needed tonic for Chicago's civic pride, which lags far behind both its accomplishments and its assured prospects for the future.

Epitaph For EPT

The November Letter of the National City Bank of New York contained a nine-months earnings compilation that should be a revelation to casual observers of the economic scene.

The sales of 498 manufacturing concerns surveyed by the bank averaged nine per cent below those for the first three quarters of 1953. Pre-tax earnings were 20 per cent lower, but net income after taxes rose our per cent.

The explanation lies in the expiration of the excess profits tax at the end of 1953. This year taxes took 9 per cent of pre-tax earnings of the 498 companies; last year they took 60 per cent.

The four per cent gain in net income was accomplished by an aggregate of 19 industry groups, despite sharply lower profits for three of the 19 — the iron and steel industry, textiles and apparel, and automotive parts.

Besides charting the general course of business, the National City's figures lead to a reasonable assumption: that without the removal of the tremendously burdensome excess profits tax, the business dip of 1954 might have snowballed into something much worse by impairing the working capital positions of many major companies. As it turned out, the death of

EPT helped to keep the economy moving ahead by allowing industry to continue to make capital expenditures on a broad scale.

A Job To Finish

Last month the Chicago Home Rule Commission presented its able report to Mayor Kennelly. For *COMMERCE* readers, Leverett S. Lyon, commission chairman, has summarized the major recommendations in an article starting on page 13.

The 15-member commission was charged with two duties when it was created by the city council a little over a year ago. One was to make recommendations for structural changes in the city government. The other was to report on possible means of securing the best measure of home rule for the city.

In examining the structure of Chicago's government, the commission properly refrained from making a detailed study of the functions of the city's many departments and bureaus and coming up with a plan for reorganizing and regrouping them. Rather, it confined itself to such basic recommendations as reducing the size of the city council from 50 to 35, giving the mayor greater powers, including that of budget-making, and cutting down certain present prerogatives of aldermen, particularly in regard to zoning and traffic matters.

The city hall's reception to the commission's report has generally been favorable. But it cannot be assumed just because the commission membership included four aldermen that the structural recommendations will have clear sailing in the city council. Neither will the home rule suggestions be greeted with open arms in the state legislature just because they are logical.

From here on, the job is up to the public, including the civic organizations representing the public. Directors of the Chicago Association of Commerce and Industry have not only endorsed the Home Rule Commission's report, but in addition have appointed a strong committee to do a follow-up job. The association's special committee is headed by Holman D. Pettibone, and includes Earl Kribben, James F. Oates, Stuart S. Ball, and Oscar Mayer.

Other organizations would do well to follow the CACI's example and appoint competent working groups to press for the adoption of the report's provisions.

Without a helping hand, the commission's report might be pigeonholed as many excellent plans have been in the past. Chicago, whose future again seems so bright, could ill afford such a blow.

Alan Sturdy

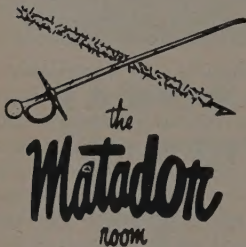


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Here...There... and Everywhere

• **Soft Drink Goal** — One sales-minded member of the soft drink industry apparently is out to drown us. He is Leonard M. Green, president of the Dr. Pepper Company, who says that the 28 billion bottles of soft drinks consumed by the American public is just one-sixth of the right amount. He sets 168 billion bottles annually as a "realistic" industry goal, or three bottles a day per person. Wonder if this would be enough to fill the southern end of Lake Michigan?

• **Machine Tool Shipments** — Machine tool shipments in 1954 have been consistently below the 1953 average. For the first nine months shipments averaged \$80 million a month against \$100 million a month for the same period last year. The industry's sales efforts are being concentrated on demonstrating the savings to be effected by replacing obsolete machines with modern cost-saving models and dealers are in a position to make excellent deliveries, reports the National Machine Tool Builders' Association.

• **Make 'Tree-Grown' Rubber** — Being hailed as a major scientific achievement is the success of Gulf-Goodrich Chemicals, Inc., scientists in reproducing the true molecule of crude, or tree-grown rubber. The company estimates that the cost of the new material in commercial volume would be "substantially higher" than the present price of 23 cents a pound for GR-S (synthetic) rubber. The discovery means that in the event of emergency the United States could become self-sufficient in the production of crude rubber, which despite improved quality of synthetics still remains the preferred material for truck and airplane tires.

• **Diorama Advertising** — Three-dimensional advertising displays,

similar to the dioramas of Chicago World's Fair fame, have been built into the walls of the corridors of the new air terminal at Mitchell Field in Milwaukee and will go on public view shortly after the first of the year. The 89 displays include many of the participation type, where viewers will be able to make the operate by means of pushbuttons or levers. Hartwig Displays of Milwaukee are leasing the display cases which are expected to be seen by an estimated two million airline customers in 1955.

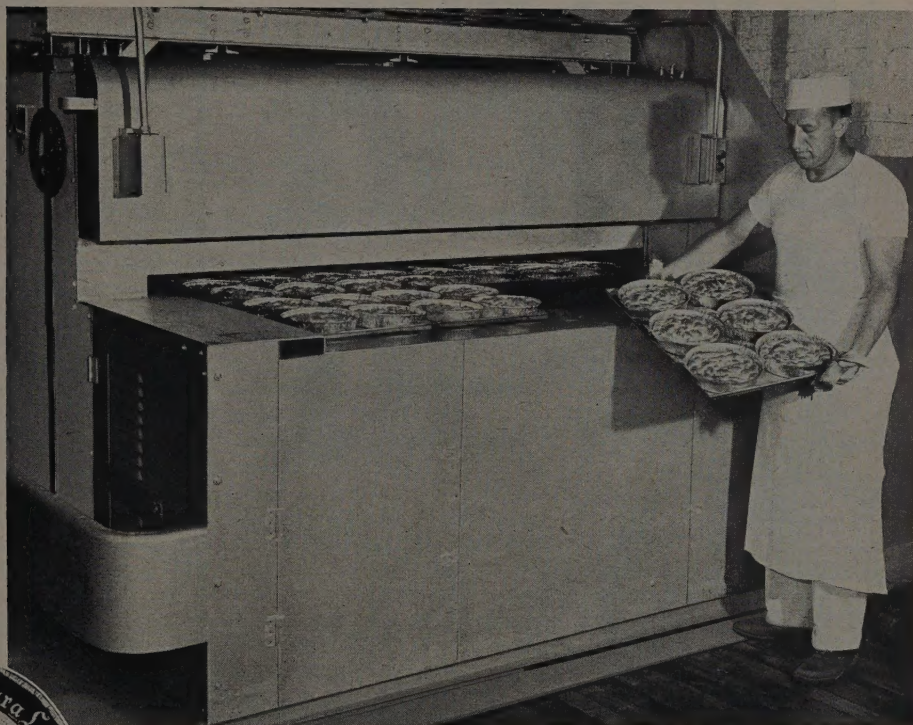
• **Steel Warehouse Gain** — There were about 500 more "merchant" steel warehouses in business at the end of last year than there were in 1948, according to the Department of Commerce. The total was 1,948 at the end of last year against 1,445 five years earlier. The figure includes only warehouses buying and selling on their own account. Last year's sales totaled \$2.1 billion compared with \$1.5 billion in '48.

• **Tiny Atomic Battery** — Atomic Energy Commission researchers have developed an atomic battery about the size of a cigaret lighter. It consists of a small capsule containing a thousandth of an ounce of radioactive polonium which is converted into electricity by a series of thermocouples. The battery is too expensive for commercial production, states the AEC.

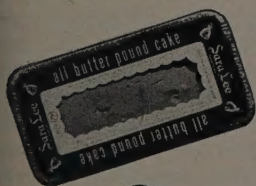
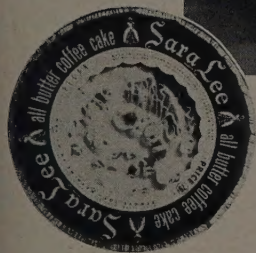
• **Golf Course Boom** — The current year may not have been the best on record for all forms of endeavor, but golf course construction in 1954 set a new record for the post-war period for the third consecutive year. The National Golf Foundation reports that 80 new courses and 12 additions to existing courses were opened for play in the

(Continued on page 40)

GAS at work for Chicago's Industry



Gas-fired traveling oven in the cake production line in the Kitchens of Sara Lee, Inc., 2109 S. Carpenter St., Chicago. This bakery specializes in all butter coffee cake, all butter pound cake and cream cheese cake — very attractively packaged.



GAS is an important factor in production planning at the Kitchens of Sara Lee, Inc. Every week hundreds of thousands of cakes are baked in gas-fired ovens. Gas has proven to be the most efficient, economical, production line fuel.

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Trends . . . in Finance and Business



• **Earnings of a Lifetime** — How much money can the average man starting out to make his living expect to earn during his lifetime? The answer, derived from Bureau of Census data by the Institute of Life Insurance, is \$150,000, up \$17,000 from the prospect that prevailed in 1949.

Earning expectations vary according to educational level, and the variance is a good deal sharper than one might guess. For those with only a grade school education or less, chances are that lifetime income may not run much over \$100,000 and may even be a bit lower. A high school diploma raises the prospective life income of a man to the neighborhood of \$200,000, while the college graduate can expect to garner \$300,000.

In the light of such a dollars-and-cents premium on higher education, it is of interest to note that the general educational attainment of the public has been in a long upward trend, accelerated sharply in the last ten years by the G. I. bill of rights for war veterans. The following table shows median years of school completed by adult males in principal age groups since 1940:

Age Group	1952	1950	1940
20 to 24	12.1	12.0	10.9
25 to 29	12.2	12.0	10.1
30 to 34	12.1	11.4	9.2
35 to 44	11.1	10.0	8.7
45 to 54	8.9	8.7	8.4
55 to 64	8.5	8.4	8.2
65 & over	8.0	8.0	8.0

Source: U. S. Bureau of the Census

• **Rising Personnel Budgets** — Business is investing more and more in personnel and industrial relations programs, reports Dr. Yale Yoder of the University of Minnesota's Industrial Relations Center. A national survey by the center shows that the average cost per em-

ployee of providing industrial relations staff services has increased from \$48.59 in 1952 and \$61.26 in 1953 to \$69.34 in 1954.

A large proportion of the increase is attributable to growing expenditures for health and safety, which increased almost 50 per cent from last year. Higher costs were also reported in administration, promotion and transfer, records and reports, auditing, and research. Reduced costs were noted for planning, staffing, and training, and little change was reported in labor relations, personnel rating, employment benefits and services, and wage and salary administration.

As in earlier years, total costs were highest in banking, financial, and insurance companies. This year manufacturing also ranked above the general average.

The 1954 budgets of 230 personnel executives who replied to the center's questionnaire varied from \$5,900 to \$2,640,739, while the number of employees ranged from 137 to 32,000, with an average of 2,833.

• **Two-Way Stock Street** — The stock market level is making financial headlines these days, and the New York Stock Exchange's Magazine, "Exchange," was recently asked by a reader: "Is it true that many better-known stocks are currently selling above their 1929 highs?"

As a way of answering, Exchange analyzed the action of 30 common stocks making up a popular industrial stock average. Seventeen were selling above their '29 peaks while trading ended on October 21, and 13 were below their '29 highs.

More than anything else, a look at individual performances showed tremendous selectivity of the market over the past 25 years. It should

prove conclusively that the market isn't a one-way street.

The following table cites the ten stocks in the group of 30 that showed the largest advances over their highs of 25 years ago, and the ten with the largest declines. The '29 prices are adjusted to reflect stock dividends and splits:

Adj. 1929 High	GAINERS	Market Price 10-21-54
467/8	Bethlehem Steel	\$ 81 3/4
57 3/4	E. I. du Pont	143 1/2
457/8	General Motors	89 1/2
18 1/4	National Steel	51 3/4
45 1/4	Sears, Roebuck	71 3/8
37 1/8	Standard Oil of Calif.	72 1/2
37 1/4	Standard Oil (N. J.)	99 5/8
36	Texas Co.	79 3/4
46 5/8	Union Carbide & Carbon ..	78
12 3/4	United Aircraft	62 5/8

*Adjusted high for year 1934.


Adj. 1929 High	LOSERS	Market Price 10-21-54
54 1/4	American Smelting	\$ 39 7/8
310 1/4	Amer. Tel. & Tel.	171 3/4
116 1/4	American Tobacco	59 5/8
126 3/8	Corn Products	83 1/2
81 3/4	General Foods	72 3/4
47 3/8	International Harvester ..	32
72 3/4	International Nickel	49
28 1/8	Loew's	17
87 1/8	U. S. Steel	60 1/8
103 7/8	Woolworth	47

Executive Vacations—The executive who balks at taking enough vacation is far from uncommon, according to a recent survey of corporate vacation policies and practices by the American Management Association. Fifteen per cent of the 10 large companies covered in the survey said they had difficulty in getting their management personnel to take sufficient time off. This was especially true with firms whose policy is to leave the final decision up to the individual. Many executives, one firm complained, "hang on to the breaking point."

Sixteen of the firms have separate formal vacation policies for executives; 12 handle executive vacations separately on an informal basis, and 5 have formal policies covering all salaried personnel, but readily make exceptions for executives. The other 6 treat all salaried employees alike. If you're an office worker and not an executive, the chances are you'll get a longer vacation at a company whose policy is to give all salaried people, management included, the same length of time off. The companies with split policies tend to be

(Continued on page 39)

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The Road To Better City Government

By **LEVERETT S. LYON**

**Here are the essentials of the vitally important Chicago
Home Rule Report summarized by its chief author**

THE city of Chicago is a large, dynamic, growing and changing organization. It operates a budget of some \$400 million a year and provides for its citizens an extensive variety of services vital to their welfare, to their enjoyment, and to the effectiveness of the economic activities with which they are concerned.

Broadly speaking, Chicago's powers as a city are an accretion of grants derived from the general laws of the state and have been chiefly obtained by requests to the Illinois General Assembly for added authority in various phases of local affairs. In governmental operations, as in private business, the need for frequent review of purposes, of powers, and of organization is highly important. Chicago's elected officials have often asked for advice from professional agencies and from committees and commissions especially established to consider municipal problems and to make recommendations concerning them. The Chicago Home Rule Commission is such an agency.

Because of its name, not a few

people have assumed that the purpose of the commission was to initiate a drive for greatly expanded home rule powers for Chicago or to draw up the provisions of a home rule charter. Such was not the commission's mandate.

Two Assignments

The Home Rule Commission was created by City Council ordinance. Its members, appointed by Mayor Martin H. Kennelly, consisted of four aldermen, two outstanding labor leaders, and nine representatives from various kinds of business life. The first meeting, for organization, was held on November 9, 1953. The ordinance gave the commission two assignments:

1. To "give consideration to possible changes in form and structure that may be desirable for the advancement and modernization of Chicago's government. . . ."

2. To "investigate and make a thorough study of all possible ways and means of securing the best measure of home rule for the government of Chicago. . . ."

Thus, the responsibility for considering changes in governmental form was as great as its responsibility in the home rule field and the drafting of a "charter" was not its duty.

The commission viewed itself as an advisory group, instructed to give

the best suggestions of which it was capable, reaching its conclusions objectively, and without regard to political interests or personalities. It had much encouragement from persons active in the political life of both parties, but no attempt was made to influence its work.

In considering its assignment, "the advancement and modernization of Chicago's government," the work was divided into two categories, one having to do with the structure and procedures of the City Council; the other with legislative-executive relationships — particularly the distribution of powers between the council and the executive office of the city. While the full report — made last month — was necessary to present the analysis, the conclusions of the commission may be briefly stated as follows:

I. Concerning the Advancement and Modernization of Chicago's Government:

A. Regarding the City Council:

- A recommendation that the size of the City Council be reduced from 50 to 35 members.

- A recommendation that the composition of the council be changed to consist of one alderman from each of 25 wards, and ten elected from the city at large.

- Some 23 recommendations concerning council operations and pro-

The author is chairman of the Chicago Home Rule Commission and chairman of the Executive Committee of the Chicago Association of Commerce and Industry.

— A city the size of Chicago needs a modern operating organization with the capacity to cope with the many problems that arise.



The Home Rule Commission delivers its report. Standing (left to right) are Mayor Martin H. Kennelly, Ald. P. J. Cullerton, Ald. Benjamin M. Becker, Ald. Nicholas J. Bohling, Arthur C. Wilby, John L. McCaffrey, Ald. Thomas E. Keane, William L. McFetridge, and Corporation Counsel John J. Mortimer. Seated (left to right) are commission chairman Leverett S. Lyon, Donald F. Moore, W. A. Mayfield, Joseph J. Cavanagh, Frank C. Rathje, and Robert R. Taylor. Commission members Newton C. Farr and Frank W. Cronin were absent from the picture.

cedures designed to effect deliberation on ordinances; eliminating voting on other than single subjects; to end indefinite postponement of matters before the council, and otherwise to facilitate dealing with council business.

B. Regarding Legislative-Executive Relations:

- A general recommendation that the city change legislative-executive relations to what is known as a "Strong Mayor" system. Specific recommendations included:

- The adoption of an "executive type budget" which would place in the Mayor's office, rather than in the Council finance committee, responsibility for developing the annual budget and would make it a reflection of the executive's proposed program for the year. This proposal would strengthen the city's executive function, fix responsibility for planning, facilitate development of coordinated program planning, and help to attain consistency and uniformity in estimates.

The executive type budget will require that the position of budget director be transferred from the finance committee to the mayor's office. To be most effective, the office of budget director should be enlarged to provide for sections responsible for (a) preparation of budget estimates and control of appropriated funds; (b) administrative

analysis, and management-improvement studies; and (c) budget reporting.

- Making routine traffic matters, of which the designation of one-way streets is an illustration, the concern of the bureau of street traffic, guided by definite standards developed by the council.

- Removing from the council responsibility for approval of contracts in excess of \$2,500.

- Making amendments to the zoning ordinance subject to Plan Commission recommendations, and requiring that where the council acts contrary to such recommendations, the reasons therefor be spread upon the council's journal.

- Making variations from the zoning ordinance the exclusive responsibility of the Board of Zoning Appeals, subject to judicial review under the Administrative Review Act.

- Transferring authority for the issuance of driveway and related permits from the council to the department of streets, the department to be guided by standards laid down by the council in an ordinance.

C. Regarding the Mayor's office: Recommendations include:

- The continuation of the present organization of the mayor's office in the fields of political activity and civic and public relations.

- The creation of the position of Administrative Officer, the incumbent

to be charged with responsibility for "administrative management" of city departments under the control of the mayor. The administrative officer should be an appointee of the mayor, and subject to removal by him. Certain desirable safeguards, in the form of formal qualifications and council confirmation, are suggested.

- Consideration of a suggestion by the commission's staff that there be added to the mayor's office a small professional staff to aid the mayor in the continuing development and improvement of civic policy and the general organization of the city government.

II. Concerning Home Rule:

In the field of "home rule," the commission's report pointed out the ambiguity and confusion which generally surrounds the term. Beginning with the basic fact that a city draws its powers from the state, the report emphasized that home rule is a *relative concept* and that any power given a city constitutes some measure of home rule. The commission indicated that there are four primary areas in which Chicago has obtained from the state some power of local self-government, or home rule. These areas are: (a) the structure and form of the city's government; (b) municipal services; (c) police powers, and (d) revenue powers.

An exhaustive analysis was presented of the gains in city power achieved, and the limitations of accomplishments, in those states which have so-called home rule powers in their state constitutions. On the basis of this study—including a thorough survey of court interpretations of these constitutional provisions, the commission concluded:

With Reference to Structure and Form of the city's government, that a constitutional "home rule" grant would be more effective than in other fields of municipal government but that added authority over its own governmental mechanism should first be sought by way of amending Article 21 of the Revised Cities and Villages Act—the so-called "Little Charter" of Chicago.

With Reference to Service Powers that powers already given Chicago are substantially adequate; that legislative grants of such powers have

(Continued on page 23)

How The New Tax Law Affects Life Insurance

By

BERNARD EPSTEIN

TODAY the prudent businessman is re-examining his life insurance program in a new light—the light of the Internal Revenue Code of 1954. The new tax law has made a number of major changes in the taxation of insurance proceeds. The 1954 code may mean considerable tax savings to the informed who are in a position to act.

FEDERAL ESTATE TAX—One of the most important changes concerns the federal estate tax. To illustrate, assume that a businessman named Fred has accumulated enough of an estate to be subject to federal estate taxes upon his death. He has a large policy on his life that names his wife, Judy, as beneficiary. Under the prior law, if Fred either had paid the premiums on the policy or had possessed at his death any of the "incidents of ownership" in the policy, the proceeds would be included in his gross estate in computing the federal estate tax.

Under the new law, payment of premiums by the insured is no longer a basis for imposing the federal estate tax. When the insurance is payable to a named beneficiary, only the incident of ownership test is retained. If Fred retains no incidents of ownership in the policy, the proceeds received by Judy when he dies will not be included in his gross estate even though he has paid all the premiums.

Incidents of ownership mean ownership or control of the policy. The following rights are examples of incidents of ownership: to change beneficiary, to assign the policy, to borrow on the policy or to secure its

cash surrender value. By transferring all of these rights to Judy, to his children, or to a trustee under a trust, Fred may reduce the size of his taxable estate.

Suppose that the policy payable to Judy provides that Fred and Judy acting together may change the beneficiary but that neither may act alone. Fred has no other rights under the policy. Upon his death the proceeds will be included in his gross estate. He has in effect retained an incident of ownership. The law provides that the proceeds will be included in the insured's estate if he retained an incident of ownership whether exercisable alone or in conjunction with another person. The fact that Judy is the named beneficiary and would be adversely affected by agreeing to any change makes no difference.

Reversionary Interest

Let us assume that the policy on Fred's life provides that if Judy dies first the proceeds will then be payable to Fred's estate unless he names another beneficiary. Fred has what is known as a "reversionary interest." A reversionary interest includes the possibility that the policy or the proceeds may return to the decedent or his estate, or may be subject to a power of disposition by him. Such an interest, whether arising by the express terms of the policy or other instrument or by operation of law, is regarded as an incident of ownership if its value exceeds five per cent of the value of the policy immediately before the death of the in-

sured. This means in Fred's case that if the value of the reversionary interest is more than five per cent immediately preceding his death, then the entire proceeds of the policy will be included in his estate when he dies.

Expect Clarification

The regulations to be issued by the government in connection with the new code are expected to help clarify the basis for determining the value of a reversionary interest. However, policies should be carefully examined to make certain that they do not contain language giving the policy to the insured if all beneficiaries predecease him. Also a reversionary interest may arise by operation of law—for instance, the possibility of inheritance of the policy by the insured from a member of his family.

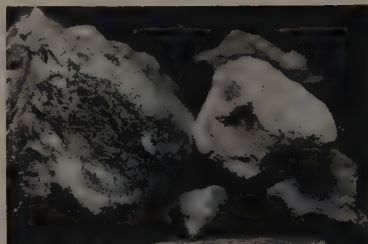
As a result of the changes in the law Fred may decide to transfer all his rights in existing policies to his wife or to his children. In arriving at a decision to take such a step, Fred should weigh the potential tax savings against the fact that the move would place his investment in life insurance beyond his own control. In times of stress the ability of the insured to borrow on his life insurance policies may be exceedingly important. Accordingly, his decision as to whether to transfer policies should not be based solely upon the desire to save taxes. Also, if Fred transfers or surrenders incidents of ownership in a policy within three years of his death the proceeds might be included in his gross estate on the ground that the trans-

(Continued on page 27)



Ore being hauled from mine tunnels in a mesa

U. P. photos



Samples of uranium ore

IN his New York offices one day recently, Floyd Odlum of the Atlas Corporation signed a document giving his company exclusive title, at a cost of \$9 million, to a forbidding stretch of Utah wilderness that a few years ago could have been picked up for the price of a second-hand Chevrolet.

As Businessman Odlum concluded the purchase of this Utah real estate — now the site of one of the nation's richest uranium mines — he issued a statement that perhaps explains as tersely as possible the speculative frenzy that today centers in the Rocky Mountains but actually stretches around the world. "Uranium," he declared, "is the oil of tomorrow, and tomorrow isn't very far away."

The association of ideas was hardly accidental. Today the nation is witnessing the birth of an extraordinary new industry that some believe may ultimately rival, if not replace, the petroleum industry as a purveyor of basic energy to mankind. It is the industry that will power the atomic age, that already provides the raw materials for atomic bombs and countless research

tools, and that may in time provide the energy to turn factory wheels and light the homes of America.

It is hardly surprising that this long-range aspect of the uranium boom has been all but lost in the outpouring of popular articles on the more colorful phases of today's search for "atomic rock." The discovery, mining and production of uranium has, in fact, been accompanied by so much melodrama that one can almost believe that the whole business has been adroitly staged as background material for a Cecil B. DeMille epic.

Nor since the days of the Klondike and Mother Lode has anything so captured the public imagination as the word "uranium." It has transformed the Colorado Plateau — a desolate mountain region interspersed here and there with quiet farming communities — into a wildly excited mecca for amateur prospec-

Uranium—

tors, speculators, geologists and mining engineers.

Across the wastelands roams an army of treasure-hunters, many of them hard up but all hoping for the click of the Geiger counter that may overnight add them to the growing list of "uranium millionaires." Tens of thousands of full-time and weekend prospectors, whose frenzied claim-staking has created a legal morass that will take years to unravel, are urged on by the fabulous success of such men as "Hot Rock" Charlie Steen and Vernon Rick, whose well-publicized strikes have earned them millions in a matter of months.

Today, practically every square foot of land in southeast Utah has been staked at least once, and, as one rags-to-riches prospector commented recently, "There are not enough engineers this side of the Mississippi to survey those claims properly."

Never before, says Philip W. Simmons, an Atomic Energy Commission engineer stationed at Grand Junction, Colo., has a single metal received so much concentrated attention from geologists and mining engineers, nor has there ever been the variety of tools available for discovering and mining an ore.

Equipment Plentiful

Radiation detection equipment, bulldozers, truck-mounted wagons and core drills, jeeps, airplanes, helicopters, tractor loaders, self-propelled dump cars, front-end loaders and fleets of modern trucks are among the tools available to today's uranium prospector. Even the weekend amateur is urged by newspaper ads throughout the West to "strike it rich" by simply carrying a Geiger

Frenzy In The Rocky Mountains

Colorado Plateau is mecca for army of small but eager prospectors as big firms take on job of actual ore production

By **LEWIS A. RILEY**

counter (price: \$99.50) on his next hunting or fishing trip.

"Be prepared to uncover valuable deposits," the ads read. "Uranium is easily detected with these super-sensitive instruments."

Stock Speculation

Seldom before has the birth of a new industry touched off more starry-eyed speculation. Millions of shares of stock — many, if not most, selling for a few cents a share — have been sold to penny-ante investors who, if lacking a Geiger counter, can still share distantly in the "uranium rush." The proceeds of many of these issues have been used to buy up Colorado Plateau claims that may or may not prove to hold uranium worth mining.

One of the unique things about the uranium boom is the fact that there is only one customer for the industry's entire output. This customer, the federal government, has,

however, been exceedingly generous in its promise of financial rewards to suppliers. In addition to guaranteeing to buy at favorable minimum prices all uranium ores delivered to mines through March, 1962, the Atomic Energy Commission offers many another inducement to the prospector.

To encourage the development of mines, it doubles the \$1.50 to \$3.50 per pound base price on the first 10,000 pounds of ore dug from every new mine. Since the bonus plan began in 1951, the AEC has paid out more than \$3 million to some 400 mine developers. Currently, bonus payments are running at more than \$175,000 a month. Upwards of 50 mines have already turned out their initial 10,000 pounds and thus are no longer eligible to receive the bonus.

In addition, the AEC pays a special six cents per ton-mile haulage allowance from mine to mill, plus a number of special bonuses for pro-

ducers of ores of higher than average uranium content. Finally, AEC will in many cases build access roads to mines in isolated areas. This latter program has thus far cost the government more than \$6 million.

The explanation for the excite-



Geiger counter is chief search tool

Not all prospectors can afford helicopter pick-up



Roads to mines have to be constantly cleared of rocks



ment lies in the simple fact that the government requires vast quantities of uranium and needs them quickly, as science discovers more and more uses for atomic materials. The tremendous outlay of funds, as the AEC figures it, has been necessary to put every available prospector, professional and amateur alike, into the field looking for uranium.

The extent of the government's present demand for uranium is locked away for security reasons with such other secret data as the current level of production and estimated domestic reserves. But some idea of the tremendous demand is provided by Sheldon P. Wimpfen, manager of AEC's Grand Junction operations office. Despite the steady increase in uranium output, Wimpfen said recently, "We could use ten, twenty, any number of times the ore we're now getting."

Incentives Pay Off

There is no question that the AEC's incentive program is paying off. Far more important than the drama that has surrounded the exploits of lucky prospectors is the fact that uranium production has climbed sharply since 1951 when Charlie Steen staked out his initial claims in the Big Indian Wash near Moab, Utah. Equally important to the AEC is the fact that the uranium boom is now attracting big business—and big money, without which the government's thirst for uranium can never be satisfied.

At the end of 1951, there were about 300 mines operating on the Colorado Plateau. Today there are close to 550 mines, and a dozen or more new properties move into production every month. Furthermore, test drilling by both government and private prospectors has increased tremendously during the same period. Core drilling is by far the most reliable method of searching for uranium, first because most of the visible outcroppings of ore have long since

been found making it necessary to drill deeper to find new veins and, second, because even rich veins of ore often deteriorate into mineral waste in the course of a few feet. Hence, to prove up a property many exploratory holes must be drilled.

A few years ago core drilling by government and private prospectors combined amounted to less than half a million feet. This year it's estimated that government drilling will run about 1.2 million feet and private drilling almost 2.5 million feet.

This big jump in core drilling provides a clue to the changes that are now taking place on the Colorado Plateau. The uranium boom, which began with lone prospectors occasionally striking it rich, is turning more and more into a businesslike development program with established mining companies providing the capital for a systematic exploitation of the nation's chief uranium reserves. As one observer puts it, "Uranium development is no longer a poor man's business."

The AEC is continuing, of course, to encourage the small operator to search just about anywhere for new sources of uranium ore. It provides elaborate prospecting guides, a free consultation and ore appraisal service, along with regularly revised "radioactivity maps" indicating promising areas that have been spotted in aerial surveys.

As the AEC officially explains its policy, "So little is known as to the origin and occurrence of these uranium ores that we believe a wise policy is to be on the lookout everywhere, without limitation to select geographical areas nor to select formations. We may be surprised by

finding occurrences where they had never been suspected before."

Such advice has sent prospectors scurrying off of weekends to just about every mountain area in the West. The first shipment of uranium ore from California to a processing plant took place last August, and today it is estimated that no less than a quarter million small prospectors are prowling through hitherto unchecked areas of Arizona, New Mexico and Southern California.

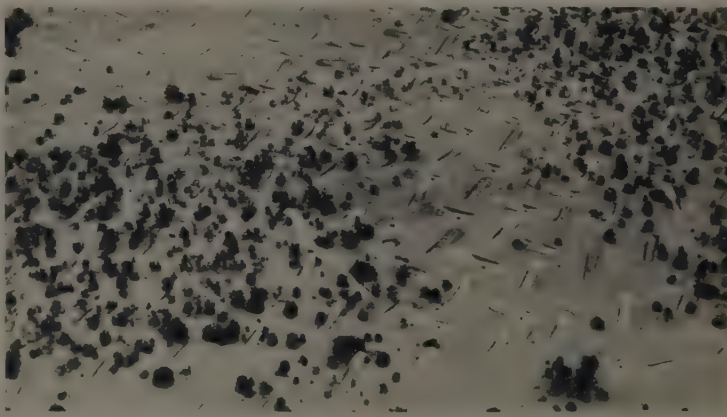
Businesslike Output

But, while the AEC continues to encourage the small prospector, the big day-to-day job of uranium production is settling into a more businesslike pattern. One reason is the need for greater developmental capital. A few years ago, for example, core drilling seldom extended more than a hundred feet or so. Today, drilling often must go down 600 or even 1,000 feet and more holes must be dug before development can begin. At the government's estimated cost of \$5 per foot dug, this represents a substantial capital outlay.

Furthermore, to make uranium development attractive to big industry, many properties must be combined for efficient production. That's why Atlas Corporation, having already acquired Vernon Pick's \$9 million mine, is busily picking up claims throughout the Colorado Plateau in hopes of putting together a major new combine of uranium companies. The trend toward a consolidation of effort is becoming stronger every month.

The theory is that even with the generous AEC bonuses, uranium mining is hardly the best road to wealth for the small operator. But with adequate capital, profits can run as high as \$25 a ton.

Atlas, for example, recently reported to stockholders that its investment of \$470,000 in stock of one development firm, Lisbon Uranium



Test holes scooped by tractors etch strange pattern in mesa. If surface soil shows promise, deep test holes are drilled for further samples.

U. P. photo

(Cont'd on page 37)



Percy Williams, a Negro university graduate, interviews a job-seeker at West Pullman Works, International Harvester

What Companies Should Know About Hiring Negroes

The rise in Chicago's non-white population means a difficult decision for many firms

By GRANT ELLIS

THE sound and fury of World War II distracted Chicago's attention from a revolution in its own back yard. As war plants sprouted and labor shortages grew more acute, Negroes by the tens of thousands migrated North to take their places in the city's factories and shops.

In 1940, Chicago's non-white population was 282,224 or eight per cent of the city total. Ten years later the figure had risen to 509,437 or 11.1 per cent. During the same decade the white population of Chicago had declined by one per cent.

Other big Northern cities had somewhat the same experience, and the result has been a nationwide trend of great social and economic significance. It has placed before employers the often-thorny problem of whether or not to hire Negroes. Some business heads have refused to try it. Others, moved by a mixture of curiosity, humanitarianism and the desire for profit, have begun integrated hiring.

According to President Eisenhower's

Committee on Government Contracts: "At the start of World War II, only 2.5 per cent of all war workers were Negroes. Between 1940 and 1944 the number of skilled and semi-skilled Negroes increased from 500,000 to 1.5 million. And after World War II Negroes retained most of their wartime gains and entered new fields. . . ."

Reasons for Growth

The reasons for this growth are important because they explain why many conservative businessmen have become, in effect, social pioneers in the mercurial field of race relations. The National Foreman's Institute gives the following explanation for

the growing employment of Negroes: "To avoid breaking the law, losing a government contract, violating a union agreement or running counter to community pressures."

At the beginning of this year 12 states, Alaska and 15 cities had fair employment practices legislation. And Uncle Sam specifies that "Every [federal] contract contains a clause which requires every contractor to give equal employment opportunity regardless of race, religion, color or national origin. This clause has the same force as all other contract terms such as price, quality, quantity and delivery." Government contracts are

big business, and the non-discrimination clause has been a major factor in the increasing employment of Negroes.

Unsegregated hiring brings a twinge of doubt and fear into the hearts of many businessmen, when they consider the wisdom of applying the idea to their own operations. They ask what disturbances may result from the hiring of Negroes? What are the most important barriers to integration and how can these be surmounted? And, most important, should the company change its old policies about hiring Negroes?

The answers are available in Chicago. The Chicago Association of Commerce and Industry has acquired a national reputation in this field for its counseling work with member firms. Another excellent source is Howard P. Gould, a Negro who heads Industrial Race Relations Associates, the country's only private consulting firm specializing in the race problems of business.

Finds Trouble

One manufacturer employed Gould to find out why a group of Negro workers were producing large numbers of reject parts. Gould spent some time chatting with the Negro production workers and soon found the trouble: The men were using complex machines which had not been explained to them in an understandable way.

"The instructions had been prepared for workers of a higher educational level," recalls Gould. "This situation was quickly remedied by revising the instructions so they could be understood."

Another case involves a Chicago financial institution that decided to hire Negroes. An elaborate party of welcome was planned, but none of the new colored employees came. Gould investigated and found that the company had been overly aggressive in trying to be friendly.

"Negroes don't like to be segregated," says Gould, "but fearing a rebuff, we sometimes segregate ourselves voluntarily. I think this illustrates the need for businessmen to steer a middle course between the extremes of absolute segregation on one hand and over-anxiousness for absolute equality, which is difficult to achieve because of differences in social, economic and cultural backgrounds."

Another assignment was the one which took Gould to a large electrical equipment manufacturer back in 1941. Until that time the company had hired no colored workers, but the wartime manpower shortage forced company officials to think about employing Negroes.

"The company was afraid," recalls Gould. "They asked us if Negroes would be good workers, if the white workers would rebel, if separate dining and toilet facilities would be required.

"We explained that the whole process should be well thought out and gradual. Then we offered to send the company some qualified job applicants during the following month. 'You look them over and decide whether or not they can make a real contribution to your operation,' we suggested."

Gould purposely avoided talking broad issues because he felt these would only excite management's fears and doubts.

He selected some personable, well-trained Negro job-hunters and sent several to the company's personnel department.

"They hired the first one," recalls Gould. "He fitted into that company like a raindrop falling into a lake. Soon they were asking us to send more colored workers."

"In this case—as in so many others—management's fears did not materialize. However, if the matter had not been carefully thought out, the results might have been ugly instead of pleasant."

Mistake Made

By way of illustration, Gould points to the case of one Chicago firm that started hiring Negro workers on an altruistic impulse. Company officials saw a movie about racial equality and decided, on the spot, to start hiring colored people. Little thought was given to what kind of jobs they could do or where the company could get competent Negroes. Relying on ordinary employment channels, the company secured Negro workers who proved undependable. There was friction and as a result the management of this company has concluded that Negroes are poor workers.

Gould thinks that many difficulties come from management's lack of experience in handling racial matters, and in fear of facing the unknown. Of great importance, too, is the existence in the white mind of certain stereotypes about Negroes.

"You can, of course, find Negroes who are slovenly, stupid, immoral or inept," says Gould. "But you'll find these same characteristics in all races. Some people, especially white, make the mistake of thinking that all Negroes display undesirable characteristics, and these stereotypes are based on limited contact or outdated



Whites and Negroes work together at Schulze Baking Company

(Continued on page 32)



1953 view of site of Wells Street Interchange

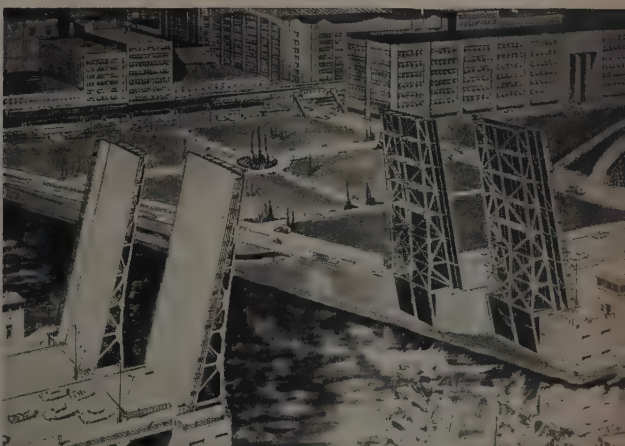


How the same interchange will look when completed

BIRTH OF A MODERN EXPRESSWAY



Part of the expressway outside the city has been completed



Cars will cross the Chicago River over two bridges, operated as one

Cutting the Congress Street swath through the city has been one problem after another, but its completion is not far off

SOMETIME in 1956 or 1957, the Congress Street Expressway will open and motorists will move across Chicago's west side at an average speed of 40 miles per hour, roughly twice as fast as is currently possible.

To motorists the event means that one of the city's largest, most irritating daily traffic jams will have been substantially eliminated. But to several officials of the city of Chicago, the county of Cook and the state of Illinois, the expressway opening will have a larger meaning, for it will mark the end of one of the most

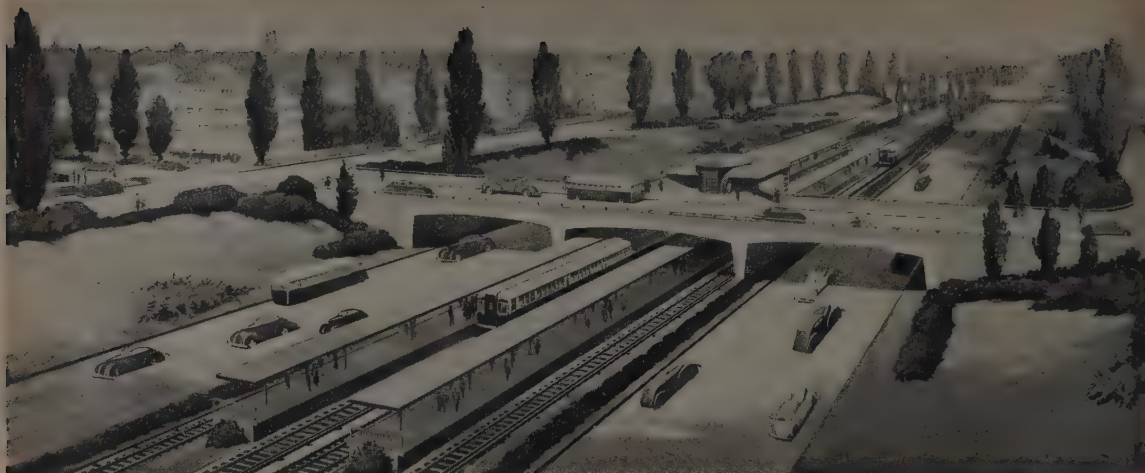
difficult time-consuming and costly public works projects in the city's history. Since 1940, these officials have awakened in the morning and gone to sleep at night thinking about the highway.

Two of the most important architects of the Congress Street Expressway will be missing on the big day — Daniel H. Burnham and Charles Wacker. Their "Chicago Plan," published in 1908, has been the blue-

print for the development of the lakefront and for a city of broad avenues and beautiful parks.

At a time when the automobile was in its infancy, Burnham and Wacker wrote: "An adequate study of existing conditions in the heart of Chicago must show the necessity of providing adequate means of circulation from west to east throughout the business center. It is within reasonable financial possibility to

By PHIL HIRSCH



Artist's conception of 150-foot wide median strip that will divide the expressway between Halsted and Ashland

build a great avenue extending from Michigan avenue through the city. This would result in providing, for all time, a thoroughfare which would be to the city what the backbone is to the body."

For roughly the next 30 years, the Congress Street Expressway remained exactly that many words. Then, just before World War II, the city began drawing plans and making surveys for the super-route from Michigan avenue west to the Cook County line.

This preliminary work began in earnest about 1940. But it was another nine years before the first spadeful of earth was turned over. The interval was taken up largely with the little appreciated, but vitally important task of acquiring right of way.

The Search Begins

The war didn't make the task any shorter or any easier. But the big thing that slowed progress on the superhighway to a snail's pace during this period was the sheer size of the task — finding the owners of some 2,400 parcels of land along a 14.5-mile belt that stretched through one of the city's oldest, most built-up sections.

Contrary to what has been written about similar projects, owners of the Congress Street Expressway right of way were generally willing to sell their land. The city's department of subways and superhighways, which acquired much of this prop-

erty, had to take only five per cent of its condemnation suits to court.

The fact that the property owners were willing to cooperate with progress, however, didn't make the job of finding them any easier, as numerous real estate officials in the department of subways and superhighways, the county and state highway departments, will tell you.

The task began with a trip to the county recorder's office, where these real estate detectives had to search through the often musty, usually voluminous records of each parcel. Standing on an uncarpeted concrete floor, and writing in longhand, they had to list owners, title transfers, mortgages, a history of tax valuations, tax payments, and similar data. A single parcel required filling an average of one 8½-by-11-inch sheet of paper. Each title searcher spent about four hours a day in the recorder's office, and usually finished off about 25 parcels in that time. Neither his hands nor his legs could take much more.

Once the property owners were identified, they had to be located. Most of the owners were living in Chicago or its suburbs, but there was at least one owner in each of the 48 states, and a few in England and Germany. The list included members of some of Chicago's most famous clans — descendants of Marshall Field, Levi Z. Leiter, and John V. Farwell, among others. One extreme example of the difficulties involved was a tract needed for the

right of way that was divided into 1,600 shares.

The three agencies — city, county, and state — responsible for building the expressway notified each owner that his property was needed for the project.

Then, the owners or their attorneys met with representatives of one of the three governmental agencies to discuss price. Usually, the deal was settled out of court and the owner received his check in the mail. In setting a fair price, the city, county, and state relied on private real estate appraisers. These experts judged the value of each parcel on three simple-sounding points — its value in the open market, its rental income, and its original cost, less depreciation. But each of these points has almost innumerable ramifications.

Value Factors

A building can be constructed in any one of several different ways, and seemingly minor details — the number of rafters in the ceiling, for example — can have an important bearing on the appraiser's valuation. The position of the radiators (whether they're recessed into the wall or standing away from it), the type of lighting (fluorescent or incandescent), and the presence or absence of rust on the water pipes are among the many things that raise or lower property values.

The condition of the surrounding

(Continued on page 25)

Road To Better City Government

(Continued from page 14)

proved to be readily secureable from the legislature; and that, accordingly, further service powers be sought by legislative rather than constitutional grants.

In this area it is further recommended, because of the overlapping of governmental agencies giving services to Chicago's citizens — that a commission be established by the state legislature to investigate the need for the integration of a number of services by the city government, by other governmental agencies within Chicago, and by those which extend beyond the boundaries of the city.

With Reference to Police Powers, the commission concluded that, a constitutional grant of home rule in the field of police powers would be of no important benefit to Chicago, but advantageous would be a legislative amendment, in 1955, of Article 21 of the Revised Cities and Villages Act, applicable to Chicago only, and

subject to referendum approval of the Chicago electorate, granting police power in the broader terms employed in the 1907 charter proposal, but expressly denying that such grant involves the power of licensing for revenue purposes.

With Reference to Revenue Powers, the analysis indicates that Chicago's growth and expanding responsibilities clearly indicate the need for added revenues; that Chicago has been relatively successful in securing property tax powers from the legislature but markedly unsuccessful in securing broadly based nonproperty tax powers, and that a number of other major cities have a greater measure of power in the nonproperty field, legislatively granted, than does Chicago.

Accordingly, the Commission does not recommend that an effort be made to obtain constitutional home rule in the interests of revenue for Chicago. It does recommend that

authorization be asked of the legislature, either for a permissive tax statute listing a series of powers, with authority in the city government to levy any or all of the taxes specified, or, as an alternative power, to levy one or more, but less than all, of the taxes specified.

Throughout its work, the commission's attitude was that governmental operations, like those of private business, can be benefited by honest, objective reviews of purposes and organization. It presented its report to the mayor and the council with an expression of hope that it might contribute to improving an already energetically going concern.

The commission appointed a technical advisory committee of six men particularly well informed on municipal problems, obtaining from them, as a group and as individuals, much helpful counsel. The commission utilized competent professional staff personnel, the importance of whose work cannot be exaggerated.

Rubin G. Cohn, professor of law at the University of Illinois, and Gilbert Y. Steiner, associate profes-



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sor of the University of Illinois's Institute of Government and Public Affairs, acted as directors of staff and made an invaluable contribution, as did Jack M. Siegel, Chicago attorney, in research, analysis and presentation. As the Chicago Association of Commerce and Industry made it possible for the commission's chairman to give practically all of his time to the project, he participated with these men, as a team, in planning the analysis and reviewing, criticizing and re-reviewing all of the material which appears in the report.

Staff Reports

The Commission members worked in many sessions—some all-day meetings and a number which ran far into the night. Much of the discussion centered on preliminary staff reports, making it possible to consider and tentatively accept or reject staff proposals before full drafts were submitted. The members constituted a sincere and earnest group of men who took their task seriously and accepted responsibility for each recommendation made. They agreed unanimously to the publication of dissents and variations of viewpoint.

The report has been published in book form by the University of Chicago Press, under the title, "Chicago's Government—Its Structural Modernization and Home Rule Problems." The Press, for national distribution, published the same material under the title, "Modernizing a City Government."

The most important current question is what action must now be taken to put the recommendations of the commission into effect. City ordinances and state laws are the most important tools. What is called for is a thoughtful, tactful, continuing and persistent program developing and promoting of the legislation needed in the City Council and General Assembly.

This is a report of numerous recommendations, indeed, of numerous recommendations in two quite separate fields. These recommendations should be viewed as a series of proposals, most of which are separable from one another, and each of which needs separate consideration in terms of City Council or state legislative action, or both. While many of the recommendations will call for action by the state legislature, some possibly for referendum vote, and one possibly for constitutional amendment, there are various proposals which can be achieved by council vote or by such a vote and executive action. Moreover, affirmative action by the City Council can greatly stimulate and can greatly influence action in the legislature. The report of the Chicago Home Rule Commission offers to the city government a great opportunity and a great challenge for such affirmative action. It is gratifying to see that certain ordinances have already been placed before the council by aldermanic members of the commission, which indicates that it is their intention to see that the recommendations of this Report are translated into action.

January, 1955, Tax Calendar

(Continued from page 2)

- 31 Quarterly return and payment (by depositary receipts or cash) of income taxes withheld by employers for last quarter of 1954 (Form 941); must be accompanied by W-3 (annual reconciliation form); also triplicate copies of Form W-2a (withholding receipt)
- 31 Employer's Quarterly Tax Return for Household Employees — last quarter of 1954 — return and payment (Form 942). Base \$50 or more in wages paid in one quarter.
- 31 Federal Unemployment Compensation Tax for 1954. This tax amounts to .3 of 1% of the 1954 taxable payroll. Tax may be paid quarterly. (Form 940.) Wage Base \$3,000.
- 31 Federal Old Age Benefit Tax for last quarter of 1954, return and payment (on first \$3,600) (Form 941)
- 31 Federal Excise Tax return and payment due for last quarter, 1954
- 31 Employers who withheld more than \$100 of income and Social Security taxes during previous month pay amount withheld to
or remittance may be made with quarterly return directly to

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Birth of An Expressway

(Continued from page 22)

area is also important. The corner of Van Buren and Halsted streets, for example, is served by two bus lines and an elevated station. The area two blocks farther west is served only by one bus line. Largely because of this difference in transportation facilities, the city paid up to three times more for the frontage at the intersection than for the property farther west on Van Buren.

Near its western end, the expressway will pass through three cemeteries — Waldheim, Forest Home, and Concordia. Real estate officials of the county highway department faced the unique task of finding the owners of some 1,600 graves which must be moved. A few irate citizens have written letters accusing the county highway department of being populated by ghouls, although most of the cemetery lot owners understand that the highway must go through and see nothing wrong in the county's request that they sell. The job of acquiring this land is now in the courts. The county plans to disinter the graves that are in its way and move them to other sections of each cemetery.

Traffic Interchanges

Two huge traffic interchanges will be built on some of the land acquired by the city. One interchange is bounded by Van Buren, Harrison, Halsted, and Des Plaines streets; the other by Van Buren, Harrison, Wells, and the Chicago River. Both posed sizeable engineering problems.

A diagram of the Halsted street interchange looks like the path traced by an intoxicated snake. Largely, this is due to the fact that three superhighways will intersect here — the Congress Street, North-west, and South Routes — and that motorists entering the area from each direction must be provided with connections to all three. City, county, and state officials currently are spending a lot of time working out route signs that will keep drivers from getting confused.

Engineers who designed both interchanges had to perform some uncanny slide rule gymnastics before they could make the job that had to

be done fit the land that was available.

At the Wells Street interchange, which will carry traffic off Congress to Wells, Franklin, and the lower level of the Wacker Drive Expressway, there was a large sanitary district trunk sewer, under Franklin, that got in the way when engineers began designing the connections to Wacker.

Expressway plans called for run-

ning these connecting roads — one for Congress-Wacker traffic, the other for Wacker-Congress traffic — beneath Franklin street through underpasses. The sewer, about 17 feet below the Franklin street pavement, didn't leave much room for the underpasses, but the engineers decided to put them there anyway. For the alternative was to cut a cross-sectional slice off the top of the sewer and reshape it to provide more depth; this would have increased costs of the job appreciably.

They saved the money, but just by inches. There is about half a foot



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separating the top of the sewer and the underside of the roadway, where the pavement passes through the underpass. This is just enough to cushion the roadway structure.

The interchanges were only one of the many problems engineers had to solve in running the expressway through the heavily built downtown business area and near-west-side manufacturing district. Getting the west side elevated system out of the way required a major face-lifting job. Three factories, one of which was a 100-by-100-foot box, five stories high, had to be moved on rollers to other locations, and, at Congress and LaSalle streets, the south end of the Western Union building, filled with a maze of complicated communications equipment, had to be amputated.

Ticklish Job

Probably the most ticklish job of the whole project involved getting the expressway through the LaSalle Street station. At the point where the roadway enters the station, there were 11 elevated train tracks that had to be kept in operation while the city was preparing the substructure for the roadway. To complicate matters further, the tunnels for the west side branch of the subway were going through at the same time. For months, workmen had to keep a round-the-clock vigil on jack screws under about 80 columns supporting

the railroad tracks. If these columns had moved even a few inches, it could have sent the whole elevated structure tumbling down.

The LaSalle Street station job also required workmen to pick up Sherman street and move it one block west. In the cleared space, baggage and mail rooms, taxi ramps, locker rooms, and similar facilities preempted by the expressway are being re-located. Some of these displaced operations have found a home in other parts of the station, but not without more extensive, and expensive, renovation by expressway contractors.

The final stage of the job, tearing out the columns supporting about 60 feet of the overhead railroad track and redistributing the load, is expected to get underway shortly. Here's the way the city expects to do it:

Holding up the eleven tracks at present in what will be the Congress Street roadway are five rows of columns. First, the two rows of columns at either side of the roadway and the one in the middle will be torn down and replaced by stronger ones. While the job is underway, the weight of the tracks at these points will be taken over by temporary shoring. This will permit trains to operate in and out of the station as if nothing were going on underneath.

Then the tracks will be closed to traffic, two at a time. Under the terms of an agreement between the

city and the railroads the city will have 30 days to take out and replace each two-track section, take out and replace the supporting girders, and take out the remaining two rows of columns. The job will take 180 days altogether. The girders will distribute the load evenly among the three rows of new columns. The trackwork will be performed largely by railroad wrecking cranes spotted on the elevated structure. They will have to work in rather cramped quarters, since the tracks at this point are inside the station.

Discussed Four Years

It took about four years of discussion between the city and the railroads before this plan was worked out. The cost of the job, including the interior alterations and the work on the elevated track, will come to well over \$2 million. All this time and money will produce exactly 220 feet of expressway.

Another stretch, running through the U. S. post office, required six years of talks. Here, the problem was how do you separate post office traffic from highway traffic? As originally built, post office and highway traffic were provided for on the same level in the post office arcade. To divide the two, it will be necessary to elevate the superhighway seven feet above the present arcade roadway. This will necessitate rearranging existing ramps in and around the post office, and also changing mail-handling facilities. Rearranging the ramps will cost around \$1,300,000. When the job is finished, it will contribute exactly 344 feet to the length of the expressway.

Between the LaSalle Street station and post office, motorists using the expressway will travel over the Chicago River on two unusual bridges. Although operated together, the two bridges had to be built separately because the river slants in a north-west-southeast direction at Congress Street. To compensate for the angle on the south bank, the bridge carrying west-bound traffic begins 31.6 feet closer to the river than the one carrying east-bound traffic, and on the west bank, the offset is reversed. Building two bridges this way, instead of building one to do the same job, saved the city about \$800,000.

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according to Stephen F. Michuda, city bridge engineer.

Each of the four bridge leaves will weigh more than three million pounds. Yet, they will be balanced so delicately that special devices will be needed to prevent winds and snow from interfering with their operation.

When the two bridges are completed, the buildings on either side teamed out, and the last section of the expressway pavement laid, the city, county, state, and federal governments will have spent about \$145 million on the Congress Street Expressway.

East of State Street, the expressway will consist of three 12-foot lanes in each direction with additional space for turns. Most of the rest of the way to the city limits, the roadway will contain four lanes in each direction, separated by a median strip. West of the city limits, the expressway will narrow to three lanes in each direction, and will end in a forked tail—one fork connecting with U.S. Route 83 at Roosevelt Road, the other funneling into Lake Street in Elmhurst. Present plans call for extending the east end of the expressway, later, to the Outer Drive.

Between Halsted and Ashland, the median strip will be 150 feet wide. Within this strip, hollowed out, will be the West Side Branch of the subway. The subway will continue in the median depression up to a point near Lotus Avenue (5432 west), where it will curve south and come up to roadway level. From there the tracks will run parallel with the expressway out beyond the city limits.

The Congress Street Expressway will be more than just a super-road. It will be another part of the Chicago Plan come true, and a strong answer to those who say that urban decentralization is the only answer to the traffic jams that are choking the nation's large cities.

New Tax Law

(Continued from page 15)

er constitutes a gift in contemplation of death. Nevertheless it may still be advisable for Fred to surrender all rights in existing policies, especially if he is no longer insurable.

If new insurance is bought, the application may be executed by his

wife or child as the owner of the policy on Fred's life. Fred should be given no right or interest in the policy. Of course, if Judy becomes the owner of either existing or new policies on Fred's life and dies first, then the value of the policies at the time of her death will be included in her gross estate subject to federal estate tax. This may be avoided by placing the insurance in trust with the children becoming beneficiaries if Judy dies before Fred.

There has been no change in the law as to insurance receivable by the

estate—insurance that is payable to the executor or to the estate rather than to an individual beneficiary. All such insurance is still part of the gross estate.

Another change involves the marital deduction—a deduction allowed for certain property passing to the spouse. The law now expressly qualifies a portion of the proceeds under an insurance contract for the marital deduction if it meets all requirements, even though all the proceeds under the same policy do not qualify. For example, Fred owns



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a policy in the face amount of \$50,000. Of this, his widow is to receive \$30,000 upon his death; but from the other \$20,000 she is to receive only the interest during her life with the principal going to their children upon her death. The \$20,000 portion does not qualify for the marital deduction, but the \$30,000 portion does even though it is only a part of the total proceeds.

FEDERAL GIFT TAX—Although no changes in the gift tax provisions of the new code specifically concern life insurance, an understanding of how the gift tax laws operate is essential in planning a life insurance program.

When Fred transfers an existing policy to his wife or children or to an irrevocable trust for their benefit he is making a gift that may be subject to tax. In the case of an existing policy, the gift tax would be based on the value of the policy at the time of the transfer. When Fred pays any premiums on a policy he does not own the payment likewise constitutes a gift.

However, because of the exclusions and exemptions allowed by law, the gifts of insurance policies or premium payments may not be large enough to be taxed. The first \$3,000 of gifts that Fred makes to each person (other than gifts of a future interest in property) is excluded from the gift tax. This exclusion of \$3,000 applies to gifts made to each person.

A husband and wife may combine their gifts, thereby doubling the exclusion on gifts to each third person. If Judy makes no gifts herself, Fred may give away \$6,000 annually tax free to each individual. Assume Fred has two children. He may transfer policies on his life in the value of \$12,000 to them tax free; or else he may make annual premium payments totalling \$12,000 on insurance policies owned by them similarly tax free.

Suppose the children are minors. The annual exclusion does not apply to a gift of a future interest in property. In the past it has been difficult to make a gift to a minor without having the same being re-

garded as a gift of a future interest because the law restricts a minor's control of property.

The new code has amended the gift tax laws to make it easier to make a gift to minors without having the gift regarded as a gift of a future interest. Under the new law no part of a gift to an individual who has not attained age 21 on the date of the transfer will be considered as a gift of a future interest in the property and income from the same:

1. May be expended by him or for his benefit before his attaining 21 years of age, and

2. Will to the extent not so expended

- (a) pass to him on his attaining 21 years, and
- (b) if he dies before attaining 21 years be part of his estate.

In view of the changes in the gift tax laws, the making of gifts to minors in connection with life insurance policies will be possible without losing the benefit of the annual exclusions.

In addition to the exclusions Fred has one lifetime exemption of \$30,000. The exemption is a total for all gifts to whomsoever made over and above the annual exclusions. If once used it is forever exhausted. By mutual consent, Fred's and Judy's exemptions may also be combined thereby giving a total exemption of \$60,000.

On gifts between spouses an additional deduction is allowed. One-half of the value of a gift from one spouse to another is excluded as a marital deduction except for certain types of gifts that are disqualified. By taking advantage of the marital deduction Fred may make gifts to Judy in connection with insurance on his life and have one-half of the value of the gifts excluded.

Through the use of the exclusions, the exemptions and the marital deduction, Fred may transfer policies or make considerable premium payments on policies on his life owned by others without paying any gift tax.

INCOME TAX—When Fred dies and his wife, Judy, collects the insurance proceeds of policies on his life, none of the proceeds is subject to income tax. The fact that the

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proceeds are not included in Fred's gross estate is immaterial. This is the general rule in reference to life insurance proceeds. "

Assignment of Policies—However, when a policy has been transferred for a "valuable consideration" a different rule may prevail. Suppose Fred assigns a \$50,000 policy on his life to the Dentless Bumper Corporation of which he is president. Fred has paid a total of \$15,000 in premiums, and the company in consideration of the transfer reimburses him in full for his premium payments. The company pays all subsequent premiums, but Fred dies after the company has paid only \$12,000 in additional premiums. Thus the Dentless Bumper Corporation collects \$50,000 and has paid out only \$27,000.

Under the old law \$23,000—the amount by which the proceeds of the policy exceeds the consideration, premiums and other sums paid by the corporation—would have been treated as corporate income and therefore would have been subject to taxation. While there were certain exceptions from taxation in the application of the old law these did not include a transfer for valuable consideration from the insured to a corporation. The new code expressly sets forth the exceptions from taxation and includes situations not formerly covered. Among these are situations where the policy is transferred to a corporation in which the insured is a shareholder or officer, or a partner of the insured, to a partnership in which the insured is a partner, or to the insured himself.

Since Fred is president of Dentless Bumper Corporation none of the proceeds received by the corporation upon his death will be subject to income tax. Assignments such as the one Fred made are often designed to give a company ready cash to purchase the stock interests of officers who are major stockholders. They are frequently made in cases where an officer is no longer insurable. They can also be used in connection with similar agreements directly among shareholders of a corporation or between partners of a business.

Also excepted from taxation is the situation where the transferee takes as a basis for the policy determi-

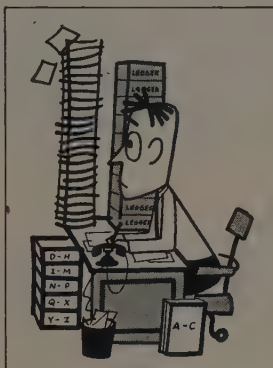
nable to any extent by reference to the basis of the transferor.

Income from Proceeds—Another aspect of the tax law concerns income from insurance proceeds left with the insurance company.

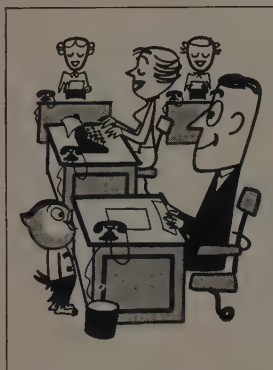
Assume Fred dies, and Judy collects on a number of policies on his life. One provides that she receive only the interest during her lifetime. By the terms of another she has the right to receive the entire proceeds, but she decides to leave the funds on deposit with the in-

surance company, taking only the interest. In both instances the interest received is taxable to her. This was also true under the prior law.

However, the law is changed when the beneficiary collects the proceeds in installments. A third policy on Fred's life provides that she is to receive a fixed amount each year in installments for twenty years. Under the old law no part of the installments would be taxable. The present code makes the interest element in each installment taxable



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to her, but gives her, as surviving spouse, an annual exclusion of \$1,000 with respect to such interest. The exclusion is not \$1,000 per policy, but a total of \$1,000 for interest on all policies left by Fred on which the proceeds are paid in installments. Regardless of the number of policies, the surviving spouse receives only one annual exclusion with respect to any insured. If the face amount of the insurance when paid immediately upon death is \$40,000 but instead Judy is to receive equal annual installments over a period of twenty years, the excess over \$2,000 received each year (\$40,000 divided by 20 years) would be regarded as interest.

Judy elects to receive a fixed sum annually for her life upon another policy for \$40,000. When payments are to be received by a beneficiary for life rather than a fixed number of years, the beneficiary's life expectancy must be used in determining the amount to be excluded each year. Judy's life expectancy at the date of Fred's death is twenty years. In this situation, also, the excess over \$2,000 received each year (\$40,000 divided by 20 years) would be taxable interest, subject, of course, to the exclusion to the spouse. Assume that each annual fixed payment to her for life is \$3,000. Only the excess of \$1,000 (\$3,000 less \$2,000) is regarded as interest each year no matter how many years she lives. Even if she survives for thirty years the other \$2,000 received each year is not taxable.

Value Ascertainable

In the situation just described, the present value of the proceeds, \$40,000, was ascertainable from the policy. Suppose the policy was one issued by a fraternal organization that provided only for fixed annual payments during Judy's life without carrying an overall face amount upon Fred's death. The present value of the policy proceeds is ascertainable as of the date of Fred's death, based upon the interest rates and mortality tables used by the insuring organization. That present value is then used in establishing the amount to be excluded from taxation each year.

The 1954 code provides that amounts held by the insurance com

(Continued on page 41)



Industrial Developments

... in the Chicago Area

INVESTMENTS in industrial plants in the Chicago area totaled \$13,651,000 in November compared with \$10,185,000 in November, 1953. Total investments for the first ten months of 1954 stood at \$217,641,000 compared with \$125,880,000 for the same period of 1953. These figures include expenditures for the construction of new industrial plants, expansions of existing buildings and the acquisition of land or buildings for industrial purposes.

• **The Glidden Company**, with headquarters in Cleveland, Ohio, and operating six plants in the Chicago area, will erect a large grain terminal on deep water on the west side of the Calumet River at 117th street. The Glidden terminal will be the second largest such facility in the Chicago area and will increase the total grain storage capacity in this area by about 12 per cent.

• **Shure Brothers**, 225 W. Huron street, manufacturer of microphones and acoustic devices, is erecting a plant which will house the firm's entire operations at 222 N. Hartrey avenue in Evanston. The structure will contain 80,000 square feet of floor area. A. Epstein and Sons, Inc., engineer.

• **White Cap Company** has purchased approximately four acres of land on the corner of Natchez avenue and Cortland street for future industrial development. Nicolson, Porter and List, and Bennett and Kahnweiler, brokers.

• **S. A. Hirsch Manufacturing Company**, Skokie, is erecting an addition to its plant which will contain 22,000 square feet of floor area. The company manufactures shelving and bins for warehouse and industrial use. Barancek and Conti, archi-

tect; Leslie Elson company, general contractor.

• **Atomic Energy Commission** is erecting several new units at Argonne National Laboratories in Lemont. Part of the construction will be in the form of a power plant using atomic fuel.

• **Barrett Division of Allied Chemical and Dye Corporation** is erecting a structure at its plant at 2800 S. Sacramento avenue. The building will be utilized chiefly for storage purposes and will contain 32,000 square feet of floor area. McClurg, Shoemaker and McClurg, architect.

• **Brock and Rankin**, 619 S. LaSalle street, book binder, is erecting an addition to its plant located at 16th street and S. Kilbourn avenue. The addition will contain 12,000 square feet of floor area.

• **Galioto Macaroni Company**, 451 N. Racine avenue, is erecting a factory building in Schiller Park. The structure will contain 22,000 square feet of floor area.

• **L. Richard and Company, Inc.**, 320 N. Elizabeth street, is erecting a building at 2201 W. Hubbard street which will contain 15,000 square feet of floor area. The company manufactures burlap and cotton bags. Edward Steinborn, architect.

• **Coleman Cable and Wire Company**, Franklin Park, has purchased a second plant in Schiller Park. The company will continue to operate at both locations in the field of wire and wire products. Benett and Kahnweiler, broker.

• **Airtex Corporation and Airtite, Inc.**, 333 N. Michigan avenue, have

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acquired 33,000 square feet of floor area at 2900 N. Western avenue. The firms will expand their operations at the new location and consolidate the operations of three plants in the Chicago area at the new address. J. J. Harrington Company, broker.

• **Switchcraft, Inc.**, 1328 N. Halsted street, has purchased 100,000 square feet of land on North Elston avenue at Bryn Mawr avenue. The company manufactures jacks, phone plugs, and switches. J. H. VanVlissingen and Company, broker.

• **Regent Automotive Engineering Company**, a newly organized automotive parts manufacturer, is erecting a plant at 2107 N. Cicero avenue. The plant will contain approximately 3,000 square feet of floor area. J. R. Quay, architect; Wm. Kuhlman, general contractor.

• **Sanitary District of Chicago** is erecting an office building at Rush and Erie streets, which will house the offices of the district now located at 910 S. Michigan avenue. The four-

story structure will contain 50,000 square feet of office space.

• **Vitality Mills, Inc.**, is constructing an addition to its plant at 87th street and S. Stewart avenue where the company manufactures dog food. The structure will be utilized for storage and office purposes. Quinn and Christianson, architect.

• **Monarch Products Corporation** is erecting an addition to its plant at 120 E. 115th street. The entire 7,000 square feet of additional space will be used for the manufacture of the company's line of windows.

• **Schulze and Burch Biscuit Company** is erecting a flour storage structure at its plant at 1133 W. 35th street. L. G. Hallberg and Johnson, architect.

• **Arnar-Stone Laboratories, Inc.**, Evanston, is erecting a factory and office building in Mount Prospect. The 7,000 square foot structure will be utilized for the manufacture of pharmaceuticals.

Negro Workers

(Continued from page 20)

truths—loom large when the businessman considers the advisability of hiring Negroes or the employee thinks of working beside them."

To destroy these "misconceptions," Gould considers it is important to place Negroes in positions where they can exhibit their skills.

In one cleaning establishment, old-time white employees declared at first that Negroes would never be able to perform any of the skilled operations. After a few weeks of working beside qualified Negroes, the old employees completely changed their opinion.

This knowledge through personal contact seems to account for the following evaluation made J. J. Morrow, director of personnel relations for Pitney-Bowes, Inc.: "The difficulties one expects to encounter in initiating a program of Negro employment materialize to the extent of about five per cent."

The educational differences between white and colored workers cause some misunderstandings. Colored people raised in the rigidly segregated, agricultural society of the South find a completely different world when they step off the bus in Chicago, Detroit or New York City. They must adjust to a radically new way of life just as the nomadic Arab has to change his mobile, non-mechanical way of life to become a technician in the desert oil fields.

Adjustment Not Easy

This adjustment to city life is not quick or easy and this accounts to a large degree for the low income Negro's propensity for installment buying. In certain industries this presents a problem because large numbers over-use their credit and the employer becomes involved in wage assignments.

Another special problem that employers should consider is the feeling of suspicion and hostility which colored workers sometimes exhibit toward their white bosses and co-workers. This occasionally results from resentment over discriminations of one sort or another. How this can affect industry is reflected in the case of the manufacturer who tried without success to hire Negroes for a job

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classified as "Cutter Boy." The pay and working conditions were favorable, but colored applicants shunned the job as though it were tainted with leprosy.

The reason was revealed by an employe who told management that colored workers resented the term "boy." They felt it was condescending, and that its use implied inferior status. Actually, management had no such thought in mind, and when the classification was changed to "Cutter" the problem vanished.

To bridge the gulf which may separate management and the Negro worker, Gould suggests a close relationship between management and the key production workers who will spot and report causes of friction — real or fancied.

The Negro worker's reaction to his minority status may find expression in other ways. Sometimes colored employes will flaunt their independence by taking unauthorized time off or by not observing company rules.

The answer here is that management should exercise impartial judgment upon all employes, regardless of race. When the Negro is sure the employer is being "square" with him, the colored worker will usually reciprocate, declares Gould.

Work Habits

Still another problem that may confront employers hiring Negroes is that many of those now on the job market got their industrial experience during the war boom, when any man could keep a job regardless of his productivity. Under this free and easy condition, many workers — particularly those lacking in educational and environmental background — developed careless work habits. For this there is only one remedy: qualified supervision and firmly enforced demands for performance.

Lack of industrial experience makes trouble for some Negroes if employers are not careful in screening colored job applicants. Take, for instance, a Chicago-born Negro who has held several industrial jobs, is at home in the city, and has a basic education. He is likely to be a better employe than his counterpart who has just arrived from the South, has almost no schooling, and has grown up as a sharecropper. To the South-

ern Negro the idea of working for a paycheck is apt to be bewildering, and he is engulfed in the swirl of city life where he must make his way.

The employer who fails to investigate the respective background of these two men can easily hire the wrong one.

The moral is simple: If an employer is going to consider Negroes, he should realize their special educational problem and investigate the background of each man.

Personal racial prejudice is a mysterious element that bobs up when least expected and then again fails to materialize in situations that seem fraught with hazard.

Some of the best examples of this come from International Harvester, which has carried its nondiscrimination policy into the South, where a diametrically opposed point of view is deeply ingrained.

In Harvester's Memphis works,

violence flared when a white drill press operator refused to work beside a Negro of comparable status. The two had been together about a week when the white worker walked off the job in a fit of anger. Other white workers followed, and soon the plant was throttled by a strike.

This action was unauthorized by the union, which strongly endorsed the company's policy of equal job opportunity for all. Company and union officials co-operated, and two days later all the white workers came back — including the one who had caused the stoppage.

Another racial strike hit this same plant when a Negro was given the job of crane operator following a careful review of his qualifications. Again management and labor united in the cause of the Negro worker and peace was restored. In the year fol-

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lowing the strike the crane operator experienced no further hostility.

All told, 45.6 per cent of Harvester's Memphis plant workers were involved in racial strikes during the period 1948-51. The average loss in man-hours per employe from racial work stoppages was 7.2 hours over this four-year period.

Gould emphasizes the need for handling each incident on its merits. He recalls the case of a financial institution which decided to hire Negroes in spite of some doubts on the part of many executives.

"They raised three characteristic questions: (1) How will our employes react to Negroes? (2) How will our customers react? (3) will the new employes be lonely and ostracized?"

Recognizing the touchiness of this situation, Gould recommended that management follow the wishes of the staff, which had urged that Negroes be placed in positions where they would not contact customers.

"Sometimes it's best to put your toe in the water before you dive in," Gould advises.

A different approach was used in a button factory office which had 14 white employes. When management announced its intention of hiring a Negro mimeograph operator, a committee of white employes told management they would quit rather than work with a Negro. The company's chief executive wanted to do the right thing, and the night of the ultimatum he talked to Gould and to his pastor. As a result, the company stayed firm in its new policy.

All employes finally agreed to cooperate but one. He resigned.

Impartial Guidance

Both the pro- and the anti-Negro spokesmen bombard employers with advice that is almost exactly opposite. Where can the businessman turn for impartial guidance in solving his racial problems?

The Chicago Association of Commerce has no axe to grind in racial matters. Jesse A. Jacobs, a department head, has broad experience in the racial field, and he devotes a good deal of his time to counseling members. Through Jacobs, the Association works quietly, shunning publicity in favor of concrete accomplishment: The avoidance of racial disturbances and helping employer develop sound hiring policies.

Transportation and Traffic



INTERSTATE Commerce Commission Examiner O. L. Mohundro, in a proposed report, recommends that the commission find a contemplated rule to limit the activities of carrier and freight forwarder associations in rate and operating rights cases "unduly restrictive and of doubtful legality." In a notice issued last May in Ex Parte No. 194, Participation by Association of Carriers and Freight Forwarders in Proceedings Before the Commission, a rule was proposed by the commission which would bar carrier or forwarder associations from registering complaints or protests against existing or new rates or charges, as well as applications for operating rights. This notice stated the right of an association to file a complaint against the rates maintained by members as well as non-members of the association has been questioned and that allegations have been made that such associations are improperly engaged in the practice of law before the commission. "The real problem to which the rule apparently is directed," Examiner Mohundro said, "arises from practices of certain carrier associations that undertake to force by litigation their carrier members into line with bureau or association policy." Therefore, he concluded, "the commission should apply the remedy to the cause by direct action rather than by promulgation of general rules. Proper enforcement of rules 7, 72 and 73 of the General Rules of Practice and in express condition in Section 5a proceedings to prohibit associations, bureaus (or the agent by whatever name called) and the employees thereof from filing protests for suspension or filing complaints against rates and tariffs of member carriers would correct the questionable practices indicated in the notice served herein." In another proceeding in-

volving the Section 5a (Reed-Bulwinkle) application of Eastern Central Motor Carriers Association, Examiner Mohundro recommended that the application be approved conditioned so as to prohibit requests for suspension and complaints from being filed by the association against member carriers' rates and tariffs.

• **I.C.C. Postpones Effective Date of "All-Commodity" Rate Orders:** The Interstate Commerce Commission has postponed from November 15, 1954 to December 20, 1954, the effective date of its two recent orders concerning the justness, reasonableness and lawfulness of railroad and motor carrier so-called "all-commodity" rates. In No. 31006, Eastern Central Motor Carriers Association v. Akron, Canton and Youngstown R.R. Co. et al, the commission found that the railroad rates on "all-commodities" in mixed carloads between points in Central territory, on the one hand, and points in Trunk Line and New England territories, on the other, not unjust, unreasonable or otherwise unlawful. The report disapproved, however, the maintenance of such rates when subject to any tariff rule authorizing the inclusion of any freight in the mixed shipment at rates or charges lower than the applicable "all-commodity" rate. In MC-C-1331, Merchandise - Mixed Truckloads - East, embracing I. & S. M-3900, Various Commodities, Midwest and South, the commission held that motor carrier truckload rates on "freight, all kinds" or "all-commodities" in mixed shipments from, to or within points in Central, Trunk Line, New England and Western Trunk Line territories to be unreasonably low and constituted destructive competition to the extent that they are below 45 per cent of the motor carrier first class rates, or the



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railroad "all-commodity" mixed car-load rates where such rates are lower than 45 per cent of the motor carrier first class rates.

• **Eastern Railroads to Eliminate Dual Scale of Class Rates:** The present dual scale of railroad class rates in Official territory will be discontinued about March 1, 1955, according to an announcement from the Traffic Executive Association — Eastern Railroads. The carriers have approved the publication of a new tariff of columns of commodity rates which will reflect present exception ratings that are now subject to the Docket No. 15879 scale of class rates. The announcement declares that the adjustment "will result in continuation of present charges in all instances exactly, except for slight increases and reductions due to use of Docket 28300 groupings of origins and destinations in lieu of present Docket 15879 grouping."

• **Hearing January 31 on Motor Minimum Charge to East:** The Interstate Commerce Commission has set hearing in I. & S. M-5663, Minimum Charges — L.T.L. — East-Central, for January 31, 1955, in its offices in Washington, D. C., before Examiner Brady. The proceeding involves suspended tariffs published by Eastern Central Motor Carriers Association, to become effective February 3, 1954, proposing to establish a sliding scale of minimum charges increasing with distance and ranging from \$3.50 to \$5.50 per shipment. While the period of suspension expired September 2, 1954, the carriers have voluntarily postponed the effective date of the increases to March 2, 1955.

• **Hearing January 24 on Illinois Motor Rate Investigation:** The initial hearing in Ill. C. C. Docket No. 10760, involving the petition of the Illinois Motor Carrier Rate and Tariff Bureau for an investigation and order prescribing minimum rates for motor carriers of property for-hire in Illinois, will be held January 24, 1955 in the offices of the Illinois Commerce Commission in Springfield, Ill. Announcement of the hearing was made at the conclusion of a prehearing conference held November 9 in Chicago.

• **New Chairmen for Senate and House Commerce Committees:** As a

result of the November 2 election, both the Senate and House Interstate and Foreign Commerce Committees will have new chairmen when Congress convenes in January. Senator Warren G. Magnuson of Washington is slated to head the Senate committee, replacing Senator Bricker of Ohio, and Representative J. Percy Priest of Tennessee reportedly will be chairman of the House committee, replacing Representative Wolverton of New Jersey.

• **Act Creating Chicago Port Authority Ruled Valid:** The Illinois Supreme Court has upheld the decision of the Cook County Superior Court that the Act passed in 1951 creating the Chicago Regional Port Authority is valid. The ruling gives a "green light" to the \$25 million program for developing harbor facilities in the Lake Calumet area. In answer to the contention that the port authority is a monopoly, the court said, "It is now recognized by the state that under proper regulations, a monopoly in this field is preferable to unrestricted competition, and an act which permits such a monopoly is free from constitutional objections."

• **Truck Drivers Ask 25c Hourly Wage Hike:** Highway drivers in Illinois and 12 other midwestern states are demanding a 25-cent hourly wage increase, a 40-hour work week with no cut in pay for those now working longer, an employer-paid pension system and health and welfare fund liberalized vacations, additional paid holidays, and other benefits. The demands, reportedly, would total more than 30 cents per hour for each man. Local truck drivers in the Chicago area are likewise seeking a 25-cent hourly wage boost. Other demands include triple time for work on holidays, a hike in the employers' contribution to the health and welfare fund, and three weeks vacation after 10 years of service and four weeks after 20 years.

• **Forwarder Competitive Motor Rates Suspended:** The Interstate Commerce Commission has suspended a tariff published by Eastern Central Motor Carriers Association to become effective November 15 proposing to reduce highway carrier rates to meet freight forwarder competition on movements between key

points in Central territory, on the one hand, and Trunk Line and New England territories, on the other. The suspended rates have been assigned for investigation under I. & S. M-6628, Forwarder Competitive Motor Rates—Eastern Central. The motor carrier association has asked the Commission to investigate the rates and charges of the freight forwarders on movements between points in the involved territories. Its petition charges that the forwarder class rate structure constituted a threat and placed in jeopardy the rail and motor carrier rate level in Official territory.

• **Dr. Baker Succeeds Rathje as Head of T.A. of A.:** Dr. George P. Baker has been elected president of the Transportation Association of America, according to an announcement from James L. Madden, chairman of the board. Dr. Baker, who is a professor of transportation at Harvard Graduate School of Business Administration, will succeed Frank C. Rathje, Chicago banker.

• **Coordinator of Defense Transportation Named:** Defense Mobilizer Arthur S. Flemming has announced the appointment of John P. Dennis as coordinator of defense transportation. Mr. Dennis will be responsible for reviewing and further developing defense mobilization plans in the transport field so that when necessary there will be an orderly transition of the industry from peacetime to emergency operating conditions, Mr. Flemming said. Mr. Dennis has been manager of the traffic division of the Texas Company since 1948. Prior to joining the Texas Company he was assistant to the vice president of the Northern Pacific Railway.

Uranium

(Continued from page 18)

Corporation, had reached a market value of more than \$3.7 million by last June 30. Lisbon with ample capital has been one of the more successful corporate prospectors.

Not all companies are as successful. In fact, one authority figures that fully half of those already in or trying to get into uranium are losing money on the venture.

But as established development firms move into uranium, proven

production methods are tending more and more to reduce the risks. Already, the list of major firms entering the field includes American Cyanamid, Anaconda Copper Mining, Dow Chemical, Foot Mineral, International Minerals and Chemical, Jones and Laughlin Steel, Kennecott Copper, National Lead, and Rohm and Haas.

Not all, of course, are prospecting in the Rockies. International Minerals and Chemical, for example, opened a new \$15 million plant in Polk County, Fla., this spring where it has solved an old scientific problem: how to extract uranium from phosphate on a large-scale basis and still make money. International's process, the details of which are secret, turns out uranium ore as a by-product in the manufacture of fertilizers and feed supplements.

Thus, there are indications that uranium production will continue to increase sharply in the months ahead. Though actual production figures are not released by the AEC, one private estimate is that uranium output should soon reach between

1.1 and 1.3 million tons annually. This would call for slightly more than \$50 million worth of ore to be processed at mills.

Presumably, the figure is still well below the government's actual needs. The AEC's current fiscal budget, calling for an increase of over \$400 million in spending for thermonuclear development, would indicate that the AEC can still use much more ore than it is currently receiving.

How soon it can reach its supply goal depends upon the success of hundreds of individual prospectors who are still roaming the uplands of the West, plus the efforts of scores of major firms to put the production of "atomic rock" on a businesslike basis.

It is not an easy job, but the "oil of tomorrow" is receiving more attention than ever before—all the way from Big Indian Wash to corporate executive offices where the less colorful, but more effective job of producing tomorrow's energy is being accomplished.

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New Products

Speaker's Helper

For the public speaker, Tele Q Corporation, 1227 Sixth Ave., New York City, offers a portable, electrically operated speech cue machine. Called Speech Q, the device rolls a copy of the speech line by line before the speaker's eyes. A control held in the speaker's hand can regulate the speed at which the copy is shown on the viewer. He can start, stop, and reverse the machine at any time. Regular teletype paper fits the machine, and a bulletin typewriter with one-quarter inch type is recommended for preparing copy. The unit, complete with a supply of paper, editing kit, and carrying case, retails for \$495.

Box Stereo Camera

Available through the catalog division and retails stores of Sears, Roebuck and Company is the first box camera that takes stereo pictures. The "3-D" outfit consists of two specially adapted box cameras attached to a mounting bar, a stereoptican viewer, two rolls of film, paper cement, 24 mounting cards, and an alignment sheet. The cameras may easily be detached from the bar for separate use. It retails in Chicago for \$17.50.

Power Caddy Cart

In this era when the ranks of caddies are growing thinner each year, a Littleton, Colo., firm—Power-Caddy, Inc.—has come to the tired golfer's rescue with a power-operated golf bag totter. Power for the self-propelled caddy cart is furnished by two 12-volt batteries with ample reserves for an 18-hole voyage on the two-bag model or 36 holes with the one-bag model. A speed selector paces the device to the golfer's walking speed.

Auto Air Conditioner

For around \$300 plus installation charges Frigicar Corporation, 1602 Cochran, Dallas, will sell you its Frigiking air conditioner for your car. The maker claims it is the first

low-priced conditioner of its type on the market. A companion unit for trucks and truck-trailers is known as Frigicab. Both have under-dash housings.

Bulk Storage Bin

A bulk storage bin that can be assembled by hand with no bolts, screws, or special labor required has been added to the line of Sturdi-Bilt Steel Products, Inc., 2501 W. Peterson Ave., Chicago 45. Called the Bulk Bin, the units are made to be assembled continuously. After the first unit is in service, continuous units are brought into service by the addition of two posts and the necessary shelves. Posts are slotted to hold six intermediate shelves, and each shelf will hold a safe load of 1,200 pounds.

No-Carbon Copy Paper

Autoscript, product of the Pengad Companies, Pengad Building, Bayonne, N. J., is a copy paper designed to eliminate the use of carbon paper. It is placed in direct contact with the original copy and its special finish enables it to reproduce any impression made by typewriter, ordinary sharp pencil or ball point pen. Autoscript comes in various colors so that different departments of a company can have their special colors. The maker says it costs "little more" than ordinary copy paper and that up to 12 legible copies can be made at once. The sample sent this magazine would not tolerate erasure.

Ice Fisherman's Aid

Also in the Christmas present line is E-Z-On, a small heater for ice fishermen that keeps ice and slush from forming and fouling the fishing line. It is a cast aluminum element that attaches to a liquid petroleum fuel cartridge and works in holes from six inches to three feet or more in diameter. E-Z-On, says the maker, Parkraft Manufacturing Company, 6512 Walker St., Minneapolis 16, can also be used as a mirror-bucket warmer, hand warmer

or will heat a can of soup or pot of coffee. It retails at sporting goods shops, and hardware stores for \$3.50.

No More Shoveling?

Avoid heart and back strain and stiff muscles this winter, says Leisure Industries, 96-09 Metropolitan Ave., Forest Hills 75, N. Y. Their prescription is Rid-O-Sno, a rubber-tired, steel snow plow with a 30 by 22 inch adjustable blade that pushes snow to the left, right, or straight ahead as desired. As well as removing the physical hazards from snow removal, the plow is said to speed up the clearance of walks and driveways. It sells at \$18.75 postpaid east of the Mississippi.

Pipe Caddy

The car-driving pipe smoker might like to receive a Pipe Caddy for Christmas. It's a magnetized rubber ring that grips to the metal dash of a car and offers a convenient resting place for a pipe when it's not being smoked. Made by Pipe Caddy Manufacturing Company, 33 Maxwell Arcade, Fort Lauderdale, Fla., it sells for 59 cents. The company says the magnet is guaranteed for the life of the pipe.

TV Hearing Aid

Enjoyment of television is increased for the hard-of-hearing by a small "personalized" speaker with a 30-foot cord that clips to the speaker terminals in any TV set. The speaker can be placed on the listener's shoulder or on the back of a chair or on a nearby table. The manufacturer is Wright-Zimmerman, Inc., New Brighton 12, Minn., and the retail price is about \$12.95.

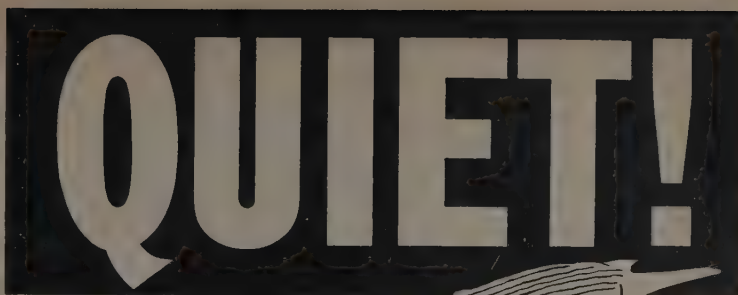
Trends In Finance and Business

(Continued from page 11)

is liberal with the ordinary employee.

Specific vacation allowances reported for executives ranged from a maximum of two months at age 60 for senior officers to a minimum of six weeks after one year's service for all levels of management.

Where States Get Money—Sales and gasoline taxes, respectively, were the greatest single sources of



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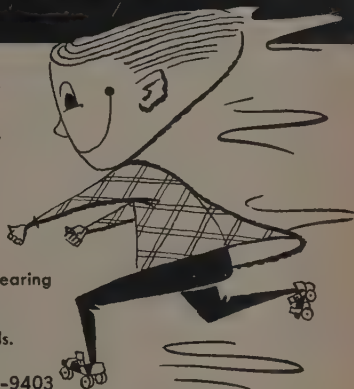
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revenue in almost three-quarters of the states this year, according to Commerce Clearing House of Chicago. In 22 states, sales taxes brought in the most money, while 13 states relied most heavily on gasoline taxes. State income taxes were the biggest revenue producer in ten states; severance taxes were the biggest in Texas and Louisiana, and in New Jersey motor vehicle licenses yielded the greatest single levy.

West Virginia got 52 per cent of its total revenue from sales taxes, and 19 other sales tax states collected 30 per cent or more of their total from this source. The highest yields of gasoline taxes were 33 per cent in Kentucky, Montana and Nevada.

• **'Human' Industrial Buyers** — When it comes to subconscious motivations that influence his buying decisions, the industrial buyer is very much like the ordinary consumer. So says Albert Shephard, executive vice president of the Institute for Research in Mass Motivation in delivering some pointed advice to industrial advertisers.

Having painted a humanized picture of the industrial buyer, Shephard

hard declares that advertisements with simple price appeals are not enough, in themselves, to bring about buying decisions.

"Which of 20 different makes of drill press should the industrial buyer choose?" he asks. "The decision cannot be completely logical or rational, because each of the presses will accomplish his job." The manufacturing executive and the trade and industrial buyer wants to be appealed to on the basis of "his skill, know-how, his company's usefulness to society and other deep-seated needs, and not only on the basis of price." The successful ad, he says, must cloak itself in rational appeals and must also appeal directly to the subconscious, unexpressed, and often objectively unrecognized motivations.

• **Retirement Facts** — The pension plan that provides an average worker with a life income of \$100 a month if he retires at 65 would yield him \$70 a month if he retired at 60 and \$148 a month at 70, reports the Northwestern National Life Insurance Company.

The trend is away from early re-

tirement, the company states. Its report cites a Department of Labor study of 300 industrial pension plans that shows that of nearly 1 million workers covered, 42 per cent are under plans that have no compulsory retirement age, and 46 per cent who do come under fixed-age retirement still can be retained on the job beyond the specified age under certain conditions. None of the plans calls for retirement prior to age 65.

Here, There and Everywhere

(Continued from page 8)

first nine months against 43 new courses and nine additions last year. In addition there are 198 courses under construction in 45 states and in Hawaii and Puerto Rico. California led the construction activity in '54 with 13 new courses, 27 under construction, and 42 in the planning stage. Looks as though the number of golf widows is going to keep on increasing.

• **Biggest 'Red Book'** — Complete distribution of 1,280,000 copies of the new Chicago "Red Book" before the first of the year is the goal of Reuben H. Donnelley Corporation publishers. A force of 2,000 is being employed to distribute the 2,244 page book, the nation's largest classified phone directory. The current volume is 60 pages larger than last year's edition. Biggest individual gain was recorded by the air conditioning section which increased to 16 pages from 12 in December, 1953. Listings for dealers in air conditioning room units have nearly doubled — from 87 to 163.

• **Painless Cancer Test** — Painless early diagnosis of throat cancer now possible by use of a rotating brush developed by Dr. J. Erne Ayre of the Miami Cancer Institute. The instrument, described in the Journal of the American Medical Association, is used to sweep the throat to collect cells for laboratory tests, making a surgical operation to remove the cells unnecessary.

• **More Spending Money** — The Chamber of Commerce of the United States reports that when more than 80 per cent of the ave-

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age family's income went for necessities in 1900, today the family spends less than 60 per cent of its income on such basic needs as food, shelter, and clothing.

• **Romantic Crib** — Proof that industry can meld the practical with the romantic is contained in the news that there will soon be introduced a child's crib that becomes a love seat when its sides are removed. It would seem that this slices the distance between cradle and courtship pretty thin!

• **How Did It Taste?**—Automation recently made its first cake. Magne-cord, Inc., developed an apparatus in its Chicago laboratory that used a magnetic tape recorder-playback machine to measure, combine and mix the ingredients in proper amounts and sequence. The instrument was connected by wiring to electronic relays controlling glass tubes housing the cake ingredients and to an electric mixer. Purpose of the demonstration, staged at an automation exposition in New York City, was to show how magnetic tape can automatically perform a series of mechanical tasks.

• **For Better Eggs** — A device that should appeal to packers, wholesalers, and chain groceries is the green-rot spotter that will automatically detect and separate infected eggs from normal ones. According to Department of Agriculture scientists, the machine has the ability to detect low levels of infection and spoiled brown-shell eggs which cannot be discovered visually.

• **Savings and Loan Gain** — Assets of the nation's savings and loan associations are estimated at over \$30 billion as against \$26.6 billion at January 1, 1954.

• **Plea to Builders**—An additional 2.5 million families would buy new homes if builders were to reduce construction costs by 10 per cent. This was the recent contention of Paul B. Wishart, president of the Minneapolis-Honeywell Regulator Company, in addressing a meeting of 800 builders. He suggested that this economy might be realized by adoption of mass production techniques and vigorous merchandising used by industrial firms.

New Tax Law

(Continued from page 30)

pany with respect to any beneficiary are to be prorated, in accordance with regulations, over the period with respect to which such payments are to be made. Stated in simpler terms, this would seem to mean that if Judy received the 1955 and 1956 payments in the year 1956, she would not lose the benefit of the exclusion for principal for the 1955 payment when she reports both payments on her 1956 income tax return.

This discussion in reference to ascertaining the taxable interest on insurance proceeds paid in installments does not apply to payments includible in the gross income of a spouse as alimony payments or in lieu of alimony. When insurance proceeds are paid in lieu of alimony the law should be carefully checked.

Judy has been receiving equal annual installment payments for her

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life upon a policy on her father's life. Her father died in 1952. No part of the installments is taxable as interest. The new law does not apply to amounts received under life insurance policies where the death of the insured occurred before the date of its enactment, namely, August 16, 1954.

Borrowing to Pay Premiums —

Another facet of the law deals with interest paid on loans to pay premiums on insurance policies. Fred's brother, Ira, desired to increase the amount of insurance on his life, but lacked sufficient liquid funds. Accordingly, he borrowed the money to buy additional insurance. To cover the loan for the first year's premiums, he deposited collateral as well as the insurance policies with the lender, a bank. Thereafter each year for several years he would borrow from the bank an amount sufficient to cover the current year's premiums.

Since Ira did not take the standard deduction but itemized his deductions in his income tax return, the interest was deductible. His wife, Ella, also borrowed funds to pay the premiums on another policy on his life which she owned. Inasmuch as they filed a joint return, the interest paid by her was likewise deductible although she had no income of her own. The interest

paid under such an arrangement is still deductible under the present law.

However, someone suggested that Ira borrow an amount sufficient to pay the premiums on his policies for five years and deduct the entire interest in the current year when his taxable income was exceptionally high. The old law allowed him to do this. Under the 1954 code the interest would not be deductible as the payments would be regarded as a "single premium contract." Interest paid on indebtedness incurred to purchase single premium life insurance and endowment policies is not deductible.

A single premium policy was defined under the old law as one in which substantially all the premiums were paid within four years; but under the new code the definition also includes one in which there is deposited with the insurer (the insurance company) after March 1, 1954, funds for the payment of a substantial number of future premiums. Five years' premiums would very likely be regarded as a substantial number.

Although annuities are not discussed in this article, mention might be made that the new law has been extended to include single premium annuity contracts purchased after March 1, 1954. Interest paid to borrow funds to pay substantially all



"Pay the man, dear. It's your Christmas present."

the premiums within four years or a substantial number of future premiums on such contracts is also no longer deductible.

Exchange of Policies — The new law exempts from taxation certain exchange of insurance policies. Ira had an ordinary life policy which he decided to exchange for an endowment policy. Under the new code such a transfer does not result in taxable gain. The new law specifically provides that no gain or loss is to be recognized on the exchange of:

1. A life insurance policy for another life insurance policy, endowment policy or annuity contract.

2. An endowment policy for another endowment policy which provides for regular payments beginning at a date not later than the date payments would have begun under the old policy.

3. An endowment policy for an annuity contract.

4. An annuity contract for another annuity contract.

For the gain or loss not to be recognized, the exchange must come within one of the above categories. However, if Ira, for example, had exchanged an endowment policy for a life policy, or an annuity contract for a life or an endowment policy, the exchange would be taxable. Where a tax free exchange is made, the new policy will take the basis of the policy or contract surrendered subject to adjustment for any other payments or any receipts at the time of the transfer.

Lump Sum Payments (other than through death)—Ira has a 20-year endowment policy that matures. The insurance company pays him the proceeds in a lump sum. Under the new law, when endowment, life or annuity contracts paid for reasons other than the death of the insured are received in a lump sum, the taxable income is spread over a three-year period. The recipient is taxed as though the lump sum payment had been received ratably in the taxable year in which received and the two preceding years. Accordingly, Ira will pay a tax on the excess of the proceeds over and above the cost as though he had received the proceeds in equal installments over three years. The House and Senate committee reports state that the tax

is to be determined in the same manner as the principles underlying the tax on long-term compensation.

Suppose under an option in the insurance contract, Ira had elected to receive the proceeds as an annuity. Under the new code if the option is exercised within 60 days after the day on which the lump sum first became payable, then the installment payments will be taxed as an annuity. However, the election must be made within 60 days. Otherwise, the doctrine of constructive receipt applies, and the taxpayer is regarded as having received the lump sum even though

the sum remains with the insurance company to be paid in installments.

Although annuity contracts are referred to in this article in connection with the discussion of life and endowment insurance, space does not permit a discussion of annuity contracts as such under the new code.

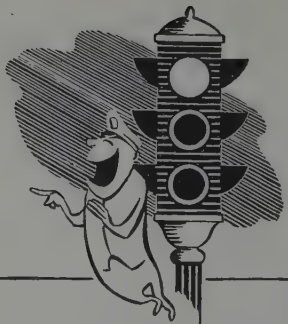
CONCLUSION—The changes in the law may require modification in one's life insurance program. Failure to do so may be costly. The farsighted businessman will analyze his entire life insurance program under expert guidance in the light of the new law.

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Stop me...If...



Willie Johnson, a sawed-off, beaten-down little man, was arraigned in a Texas District court on a felony charge.

The clerk intoned: "The State of Texas versus Willie Johnson!"

Before he could read further, Willie almost broke up the session by solemnly declaring: "Lawd Gawd! What a majority!"

The two hillbillies had never been on a train before. A food merchant came through the train, selling bananas. The two mountaineers had never seen bananas and each bought one. As one of them bit into his, the train entered a tunnel. His voice came to his companion in the darkness:

"Jed, have you eaten yours yet?"

"Not yet," answered Jed. "Why?"

"Well, don't touch it. I've taken one bite and gone blind."

First Old Maid (reading newspaper): "It says here that a woman in Omaha has just cremated her third husband."

Second Spinster: "Isn't that always the way? Some of us can't even get one, and others have husbands to burn."

Mose was brought up for the fourth speeding offense. He muttered under his breath something that sounded a lot like an oath.

"Repeat that!" snapped the judge.

"Ah says, 'God am de judge, God am de judge!'"

The bar was crowded with Martini drinkers. After quite a few rounds, one of the customers suddenly staggered, turned and fell flat on the floor. "That's what I like about Joe," remarked one of his companions, "he always knows when he's had enough."

A panhandler approached a prosperous looking man and asked for a dime to get a cup of coffee. "Is this all you have to do?" replied the prospect. "Look at you—you sleep on park benches, your clothes are in tatters, and you're hungry. Why don't you get a grip on yourself and go to work?"

"Go to work?" growled the loafer in disgust. "What for—to support a bum like me?"

"It's raining cats and dogs outside."

"I know—I just stepped into a poodle."

A British bishop was considerably upset and confined to his bed when he received a note one Friday morning from the vicar in a village of his diocese: "My lord, I regret to inform you of the death of my wife. Can you possibly send me a substitute for the weekend?"

The woman autoist posed for a snapshot in front of the fallen pillars of an ancient temple in Greece.

"Don't get the car in the picture," she said, "or my husband will think I ran into the place."

Counsel: "But if a man is on his hands and knees in the middle of the road, it doesn't necessarily mean he's drunk."

Policeman: "No, sir. But this one was trying to roll up the white traffic line."

Somebody told us about a little boy and an old man who had lost ten dollars. After listening to the oldster's story the kid, who had found the money, decided it must be his, and handed it over.

"Hey," says the old gent. "You're an honest boy, but what I lost was a \$10 bill, and you've given me ten ones."

"That's right," says the boy. "Last time I found one the man didn't have any change."

A farmer had just made a purchase of bushel of grass seed.

"Is this seed guaranteed?" he asked.

"Guarantee the seed?" the merchant replied. "I should say so: If that seed doesn't grow, bring it back, and we'll refund you your money."

Three slightly deaf men were motoring from the north to London, one asked, "Is this Wembley?"

"No, replied the second, "this is Thursday."

"So am I," put in the third. "Let's stop and have one."

A small boy was hurrying to school, and as he hurried he prayed, "Dear God, don't let me be late." Just then as he ran he stumbled and exclaimed, "Well, you don't have to push me."

"I'm really an old-fashioned girl."

"Really?"

"Yes, that's all I ever drink."

Definition of mixed emotions: Seeing your mother-in-law drive over the cliff in your new Cadillac.




COMMERCE Illinois U Library

Magazine

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The Chicago Story

An aerial photograph of Chicago, showing the city skyline with prominent skyscrapers like the Willis Tower in the background. In the foreground, the Lake Michigan shoreline is visible, featuring a large, modern building complex with a curved, metallic facade. The city's grid pattern and various smaller buildings are also visible.



Service and a city's progress

The dynamic growth of Chicago has no parallel in history. Within the short period of a century, the city has emerged as one of the great financial and industrial centers of the world. Its educational and cultural institutions are world renowned, its spirit of progress a by-word everywhere.

The Chicago Association of Commerce and Industry has played a vital role in this splendid achievement. For half a century it has worked tirelessly for the advancement of Chicago and its people. On this the Golden Anniversary of the Chicago Association of Commerce and Industry, we salute the accomplishments of its "Fifty Fabulous Years," and offer best wishes for continued success.

Since 1889, The Northern Trust Company has served the financial needs of countless Chicago-area men and women. Through its five major departments—Banking, Savings, Trust, Bond, and Safe Deposit—it offers the finest, most complete range of services to assist you in all financial requirements, personal and business.

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Preface

THE Chicago Association of Commerce and Industry and its magazine, *COMMERCE*, in observance of their Golden Anniversary present *The Chicago Story*.

It is the story of Chicago today—a recital of many aspects of the city's greatness that have not been told before. Bringing these facts together in a single volume impresses the true greatness of the Chicago community in a way that sometimes escapes when the recital is made piecemeal.

The city that Carl Sandburg immortalized early in this century as "Hog butcher for the world . . . player with railroads . . . the city of the big shoulders" has grown, matured and diversified. Today, while it retains its leadership in meat packing and its position as the railroad center of the nation, the Chicago industrial area has risen to the forefront in a variety of industries to become the most diversified industrial area in the world.

It has become the nation's leader in the production of steel, diesel locomotives, electronic equipment, plastics and a host of other products. It has become the medical center of the nation and a top ranking center for education and pure and applied research.

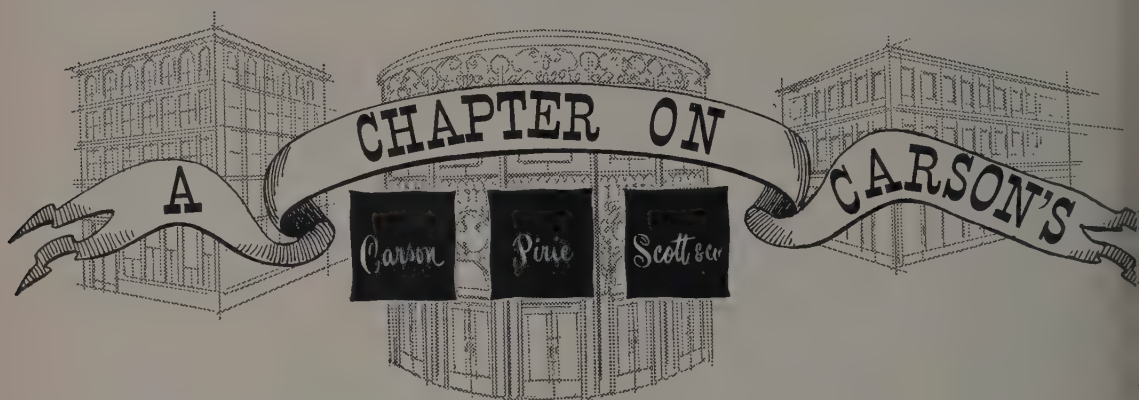
Progress has not been unalloyed. Chicago, in common with other great American cities, has seen traffic problems increase almost faster than solutions can be found, slum areas grow through neighborhood decay, and the problems of local government multiply. However, these and kindred problems are being attacked with a vigor that is attracting nationwide attention.

While *The Chicago Story* is brief, it provides the information that justifies the belief of many astute observers that Chicago's future is one of the brightest among all cities of the world and that the 50 years to come will outshine those that have gone by.

December, 1954

Alan Sturdy
Editor

the Chicago Story isn't complete without



100 years ago, Samuel Carson and John Pirie were just two eager young Scottish emigrants, operating one of the first store "chains" in 5 Illinois towns. They probably never dreamed then, that their fortunes and futures would be so closely tied to the bustling "boom" city of Chicago. It wasn't too many years later, however, that the firm Carson & Pirie, bolstered then by the Scotts and MacLeishes, established its first retail store in Chicago on Lake Street.

Chicago was not such a pleasant place in those days...streets were bogged down with mud, disease was prevalent, it was known as a "stopping off place" rather than a place to settle down and live. But the family that owned Carson's never once lost faith in their adopted city. They moved their business 6 times as the city grew and developed (once because of the fire in 1871) ...until finally, the beginning of this century found Carson Pirie Scott & Com-

pany in its present building on the corner of State and Madison.

In this year of our centennial celebration, the present decedents of the Carsons, the Piries, the Scotts and the MacLeishes are just as concerned and interested in the city of Chicago as ever. To demonstrate this, our president, John T. Pirie announced in January, that Carson's was awarding 11 fellowships and 5 scholarships to the city's universities...and sponsoring a contest for a plan to improve Chicago's loop district. He also said our new suburban stores (soon to be 5 in number) were a kind of return to our "chain store" operation of old...to help us better serve the far-flung communities of today's Chicagoland.

We're proud the Carson Chapter has an important part of the dramatic Chicago Story almost from the very start...and hope it will go on being part of it for all the years to come.



The Chicago Story

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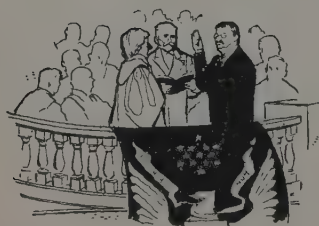
THE JEWEL STORY...begins in Chicago!



In 1899, as the forward-looking city fathers came to realize their dream of a sanitary canal to provide proper drainage for a city of three million, two young men, Frank V. Skiff and Frank Ross also had an idea. Their idea was to sell coffee and tea to customers in their homes. And so, the Jewel Tea Company was born . . . with an idea, \$700.00, a rented horse, and a second-hand wagon.



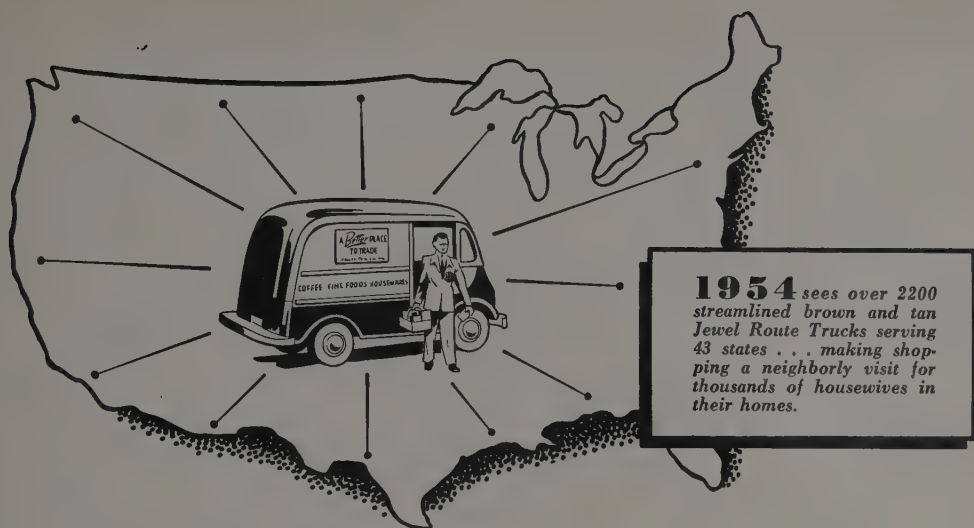
In 1901, as Chicagoans cheered the first electric train to Joliet, the Jewel Tea Company settled down to business in their first permanent location—a storeroom at 643 E. 43rd Street. It was stocked with tea, coffee, spices, and the premiums for which Jewel was soon to become famous.



In 1904 there were ten wagon routes on Jewel's schedule when Teddy Roosevelt accepted the presidential nomination in Chicago. And by 1917, eighteen eventful years after its beginning, Jewel Tea Company rang up sales of well over fifteen million dollars. The Jewel wagons were a familiar sight by that time throughout the streets of Chicago.



In 1933, as people from all over the world flocked to the city to be thrilled by the Century of Progress Exposition, Chicagoans were discovering a new chain of modern food stores . . . JEWEL FOOD STORES! Way back then Jewel folks interviewed 18,389 Chicagoland women in their homes . . . asking . . . "What is your idea of a perfect food store?" The answers to this question became a guide that Jewel folks have followed ever since.



Today . . . The MODERN Jewel Food Stores are proud to Serve a GREAT Chicago

As homemakers have requested, new items have appeared, new services were rendered. Top-quality foods; parking facilities; frozen foods; self-service meat markets; air conditioning . . . all were created to grow with the demands of a flourishing Chicago! Methods have changed, but the same friendly service remains. Yes, Jewel with its many stores has grown up with Chicago. It has taken advantage of experience, growth, and opportunity to make shopping a pleasant experience. Tomorrow? — Well, in light of its refreshing past, Jewel is looking forward to continued growth in an even greater Chicago.





Louis C. Williams ph

An unusual view of some of Chicago's towering skyscrapers, most of which have been built since 1920, with the spire of the Methodist Temple in the foreground

*Korth photo*

Looking west over the Chicago river, the transportation link which played an important part in Chicago's early history, and the only river in the world made to run backward

He had an



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MAGASIN

Association Observes 50th Year; Aim Always A Greater Chicago

THE teeming giant on Lake Michigan that is Chicago has rushed on restless, wind-swept feet to the completion of 124 years of life. As the Chicago Association of Commerce and Industry celebrates the golden anniversary of its organization by 93 civic enthusiasts, the giant is still rapidly expanding its commercial and industrial horizons. It's a healthy colossus, too, despite setbacks that might have stunted the growth of less spirited communities. October 9, 1871, was a day marked by one of the city's great tragedies—the historic Chicago Fire which saw most of the community reduced to smoldering ashes. In 1904—just 33 years later—October 9 assumed a new constructive significance with the founding of the Chicago Commercial Association, predecessor of the Chicago Association of Commerce and Industry.

Develops Fast

The startling transition of the association in just a few short years into a busy reality from a budding dream, can be explained best through the purposes of its founders. The Association, they informed Chicago's citizens of 1904, was "not the result of a boom of any kind, but simply the getting together of practical, conservative businessmen for the purpose of extending the trade relations of the great central market; for keeping the city in line with its reputation for supremacy in commercial affairs; and for the benefit of its civic life."

The 93 founders whose fancy had been caught by the idea of promotional development for an even greater Chicago, plunged into their job with such intensity that by the time of the Association's initial business dinner, on November 22, 1905, 100 had enrolled in the membership,

and an additional 500 were sufficiently motivated by the project to attend. The city's distinguished four-time mayor, Carter H. Harrison, Jr., had a prominent role in the dinner program, thereby setting a precedent for cooperative action between the city and the Association which has been followed by his successors in office, and notably so, in recent years, by the present incumbent, Mayor Martin H. Kennelly.

The founders realized that, during the infancy of the Association, nothing was so important as a strong membership to gird for perpetuation of its vital work, and the call went out to all segments of Chicago's business life. When the Association's first large-scale membership campaign had been tallied in

1907, an increase of almost 2,000 business and professional men was recorded. The basic dual purposes of the organization—(1) the multiplication of activities pertaining to the commercial, industrial and cultural welfare of Chicago, and (2) contribution to the development and stability of these activities—inspired such a growth.

First Office

The Association's first office was established in January, 1905, in the Great Northern building. It moved to its second home in the Otis building several years later and, in 1930, when its expanding activities and staff required additional office space, took up residence in its present quarters on the 23rd floor of the One North LaSalle building.

Following closely upon the opening of its original headquarters, the Association's first important step—merger with the Chicago Shippers Association—was taken. The latter's activities, of tremendous importance because of Chicago's growing of leadership in transportation and industry, were immediately coordinated with those of the Association's transportation department.

The Association's first president, John G. Shedd, president of Marshall Field and Company, was the dean of Chicago merchants when he took office in 1905. Ever since that time, CACI's 32 presidents through the years to the present incumbent, Arthur T. Leonard, president of City National Bank and Trust Company of Chicago, have represented the top echelon of the city's civic and business life.

From the moment he was elected head of this "invigorator of Chicago life," President Shedd began appointing committees to take over



Behind these old five-story buildings loom the varying structures of a modern city capped by the 562-foot Lincoln Tower

(Continued on page 346)



Chicago Aerial Survey photo

Downtown Chicago — 1954

CHICAGO PORTRAIT

In 50 Years The Canvas Of A Great City
Has Changed Almost Completely

State Street today



Even in 1904, State Street had bustle

Kaufmann & Fabry photo





The Outer Drive — one of the city's prides

Korth photo

By Mel Sokol

FIFTY years is within the span of a lifetime. It is only yesterday and it is long ago.

Fifty years ago, the change in season could still be marked by the switch from bowler to straw hat. The noise of traffic was a clatter of horse drawn vehicles on brick paved streets, alternating and fused with the clang of the first electric trolleys. Gas still lighted homes, stores, offices, factories and streets for the incandescent lamp was new and only slowly replacing the gas jet. Men shaved once a week. North Michigan avenue ended at

(Continued on page 80)



Chicago River scene in 1890

Alvinn Lenke photo

North from the Loop

Korth photo

No skyscrapers, but impressive — Loop of 40 years ago

Kaufmann & Fabry photo





Chicago has 17,000 people per square mile

Korth photo

Metropolitan Chicago—5.5 Million Strong

By Philip M. Hauser

WITHIN a half century of the time it became an organized town in 1833 with a land area of less than half a square mile, Chicago was a major world metrop-

olis, and it has retained that status ever since.

The story of Chicago is one specific manifestation of the story of the Middle West, and of the United States of America itself. Population-wise as otherwise, Chicago is truly a phenomenal center of a remarkable region of a fabulous nation.

A comparison of population growth in the Chicago area with that of other major metropolitan

areas indicates that this city may have reached a state of relative population maturity. But this should not be interpreted as an indication of reduced economic opportunity. On the contrary, a study of Chicago's population—its nature and its growth—leads inevitably to an optimistic appraisal of the future.

At the beginning of the 20th century the City of Chicago had 1.7 million inhabitants and the Chi-

The author is Professor of Sociology and Director, Chicago Community Inventory, University of Chicago.

'Ring' Growing Much Faster Than City

ago Standard Metropolitan Area, consisting of the counties of Cook, Will, DuPage, Kane and Lake in Illinois, and Lake County, Indiana, had a population of 2.1 million.

By mid-century the city and the M. A. had more than doubled in size, the city to 3.6 million and the metropolitan area to 5.5 million. Together they reached the status of second largest urban area in the country in 1890.

Chicago first appeared in a Census of the United States in 1840. By that time it had been incorporated as

a city (1837) and had a land area of a little over ten square miles. The 1840 census reported the population as 4,470. By 1860 the city had more than one hundred thousand inhabitants (109,260); by 1870 it was well past the quarter-million mark (298,977); by 1880 it was past the half-million mark (503,185); and in 1890 it had more than a million inhabitants (1,099,850). In the last decade of the 19th Century Chicago was still experiencing remarkable growth, increasing by more than a half million persons, or more than 50 per cent.

Relatively rapid population growth continued during the first three decades of the 20th Century. In each of these ten-year periods, the population increased by about half a million persons, or at rates from about 24 to 29 per cent. This remarkable growth was abruptly reduced by the prolonged depression of the 1930's. Between 1930 and 1940, the city gained only 20,000 inhabitants, or less than one per cent.

Between 1940 and 1950, under the conditions of a war and boom economy, the city resumed its population growth, but at a much more moderate rate than in its earlier history. During this period about a quarter of a million inhabitants were added to achieve a population of 3.6 million, an increase of 6.6 per cent. This rate of growth, relative to that experienced by other cities, was moderate. It may indicate that Chicago, like the Middle West of which it is the dominant metropolis, has reached a state of population maturity.

Throughout its history, Chicago, as a geographic, economic and social entity, has included more land area and population than the city itself. In fact, much of the early growth in population and land area resulted from annexations of surrounding towns and villages.

The greatest single inter-censal increase in land area, from about 35 square miles to 169, occurred between 1880 and 1890. It was achieved through the annexation of surrounding towns and especially the Village of Hyde Park (48 square miles), the Town of Lake (36 square miles), the Town of Jefferson (30 square miles) and the City of Lake View (ten square miles). By 1900 the city area was about 190 square miles. In the first half of the 20th Century the land area was increased by 23 square miles to its present total of about 213.

The annexation of surrounding political units, however, by no means kept pace with the growth of Chicago as an economic and social reality as distinguished from

Table I
POPULATION AND GROSS AREA OF THE CITY OF CHICAGO, 1833-1950.

Year	Population	Gross area (sq. miles)	Per cent increase	
			Population	Gross area
1850	3,620,962	212.863	6.6	0.0
1860	3,396,808	212.816	0.6	2.8
1870	3,376,438	207.076	25.0	4.4
1880	2,701,705	198.270	23.6	4.6
1890	2,185,283	189.517	28.7	0.0
1900	1,698,575	189.517	54.4	12.4
1890	1,099,850	168.671	118.6	379.8
1880	503,185	35.152	68.3	0.0
1870	298,977	35.152	173.6	101.0
1860	109,260	17.492	264.6	87.9
1850	29,963	9.311	570.3	- 8.6
1840	4,470	10.186		2,342.7
1833	N.A.	.417		

Source: Local Community Fact Book for Chicago: 1950, Chicago Community Inventory, 1953, p. 2.

Table II
POPULATION OF CHICAGO, 1900-1950.

Year	Chicago Standard Metropolitan Area	City of Chicago	Metropolitan Ring
1950	5,495,364	3,620,962	1,874,402
1940	4,825,527	3,396,808	1,428,719
1930	4,675,877	3,376,438	1,299,439
1920	3,521,789	2,701,705	820,084
1910	2,752,820	2,185,283	567,537
1900	2,092,883	1,698,575	394,308
Per Cent Distribution			
1950	100.0	65.9	34.1
1940	100.0	70.4	29.6
1930	100.0	72.2	27.8
1920	100.0	76.7	23.3
1910	100.0	79.4	20.6
1900	100.0	81.2	18.8
Per Cent Increase			
1940-50	13.9	6.6	31.2
1930-40	3.2	0.6	9.9
1920-30	32.8	25.0	58.5
1910-20	27.9	23.6	44.5
1900-10	31.5	28.7	43.9

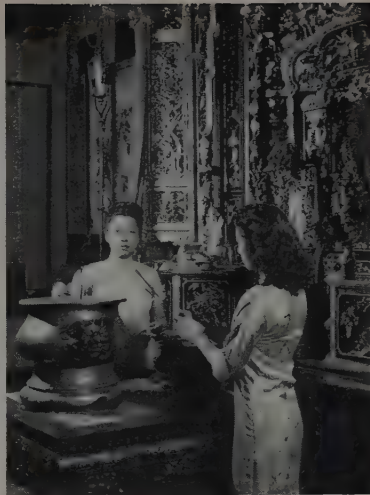
Source: Local Community Fact Book for Chicago: 1950, Chicago Community Inventory, 1953, p. 2.

the political unit. The City of Chicago is but one part of the total "real" Chicago. Various efforts have been made to measure or define this "real" as distinguished from the political unit. This geographic unit widely used today to represent the real Chicago is the Chicago Standard Metropolitan Area.

Area's Increase

The metropolitan area, between 1900 and 1950 grew more rapidly in population than the City. (Table 2.) It increased by more than 150 per cent, while the city increased about 100 percent. During each of the first three decades of the century the population of the metropolitan area increased about one-third, while that of the city increased about a fourth. Between 1900 and 1910 the metropolitan area increased by more than 650,000 persons; between 1910 and 1920 by more than 750,000; and between 1920 and 1930 by more than 1,150,000. During the depression decade of the '30's while the city added only some 20,000 persons, an increase of less than one per cent, the metropolitan area increased by about 150,000, or 3.2 per cent. Between 1940 and 1950, the S. M. A. increased by almost 700,000 persons, or 14 per cent, to reach a total of 5.5 million. It is evident from these statistics that throughout the course of this century that part of the Chicago standard metropolitan area outside the city—or the "ring"—has grown much more rapidly than has the city itself.

Between 1900 and 1950, while



Korth Photo

Chicago has been built on a racial base representing almost every nationality

the population of the city doubled, that of the metropolitan "ring" almost quintupled, increasing from 394,000 persons to 1.9 million. The population in Chicago's metropolitan ring, alone, is large enough to be the fifth largest city in the country, containing somewhat more persons than the City of Detroit. In 1950 it was within 100,000 of the City of Los Angeles and within 200,000 of Philadelphia, the fourth and third ranking cities, respectively.

Since 1930 the metropolitan ring has not only increased at a more rapid rate than the city but it has, also, actually added a larger number of persons. Between 1930 and 1940 the ring increased by almost 130,000 persons while the city added about 20,000; between 1940 and

1950, the ring added almost 450,000 persons to the city's 220,000.

The result has been an appreciable shift in the distribution of population within the metropolitan area. At the beginning of the century less than one-fifth of the total population was in the metropolitan ring. By mid-century it was more than one-third. Even with the shift in population distribution, however, Chicago in 1950 still had a smaller proportion of its inhabitants in the ring than did all metropolitan areas in the United States combined. As compared with Chicago's 34 per cent, all metropolitan areas in the U. S. had 42.3 per cent of the total populations resident in the metropolitan ring.

Of the population living in the metropolitan ring of Chicago in 1950, about one-third resided in the nine urban places with 50,000 or more inhabitants (Aurora, Berwyn, Cicero, Evanston, Joliet, Oak Park in Illinois; and East Chicago, Gary and Hammond in Indiana). About three-fourths of the population of the ring resided in incorporated urban places with 2,500 or more inhabitants, and one-fourth in unincorporated urban places or in rural territory.

Growth of Satellites

In 1900 the largest city in the metropolitan ring was Joliet with a population 29,353; 50 years later Gary had a population of 133,911 and 11 other cities had populations of more than 25,000 persons.

In 1950 the Bureau of the Census

(Continued on page 337)



One-family homes predominate in this West Side neighborhood

Chicago Aerial Survey photo



Fourth Presbyterian Church on upper Michigan Avenue



Loyola University Chapel

Korth photos

2,300 CHURCHES SERVE CITY

By

Arthur Desmond

ON AUG. 15th this year more than 125,000 Chicagoans attended the Festival of Faith in Soldier Field, held as part of the World Council of Churches Assembly in Evanston. Three weeks later, on Sept. 8th an even greater crowd thronged to the same place to attend Mass and festivities held as part of the Marian Year Tribute, a Roman Catholic celebration directed by Cardinal Stritch.

These two gatherings serve to point up the development of Chicago's religious life. This phase of the city, little known to millions the world over who think of Chicago in terms of "stormy, husky, brawling, City of the Big Shoulders," probably surprised a good many natives, too. Yet Chicago is an important landmark in any survey of contemporary religion.

There are more than

2,300 churches in the Chicago area, serving several million people. There are 23 theological seminaries—Catholic, Jewish and Protestant—as compared to New York's 13. It is estimated by Dr. Richard Myers of the Church Federation of Greater Chicago that about 95 per cent of the city's population is affiliated with one church or another. Church building has kept pace with the maturing

metropolis — more than 20 Catholic churches alone were constructed this year, and at least two new Jewish synagogues rank in architectural beauty with anything the New World has produced in the line of buildings for religious assembly.

Chicago has many impressive "firsts" in the field of religion. It was the station of the first priest to come west of the Alleghenies. The famous Jesuit, Father Marquette, celebrated Mass here Dec. 16th, 1674, near Damen avenue and the drainage canal. The International Eucharistic Congress here in 1926, first to be held in the United States, attracted more than 800,000 pilgrims from all over this country and the world, 86,000 of them journeying from foreign lands.

Paradoxically, the town was charted 47 days after the First Presbyterian



Temple Isaiah Israel on the South Side

(Continued on page 348)



Old College—Northwestern



Concordia Teachers College



Rich Township High School



Deering Library on Northwestern University's Evanston campus

EDUCATION: BULWARK *SCHOOLS*

By June Blythe

EDUCATION may well be Chicago's biggest business. Since 1816, when the first organized school opened its doors to seven children in a log building donated by John H. Kinzie, the Chicago area's public, private and parochial schools have flourished. Today, augmented by adult education programs, Chicago's educational facilities can claim an estimated attendance of one million. In a population approaching four million, one out of four goes to school!

Some three-quarters of a million students attend the fully accredited academic institutions, from elementary through advanced college levels. More than 500 private trade and career schools attract thousands of young people and adults seeking vocational training. Thousands more pursue hobbies or polish new skills through the city's myriad adult education classes. Even executives and professional people "go to school" in the many institutes and seminars organized for the city's business, technical and professional leaders.

Chicago's success has been built

with books as much as with bridges. The vision and the skills that have pushed Chicago to world leadership have been deliberately nurtured by a citizenry conscious from the first of the "capital wealth" that lies in good and abundant education. The result has been the creation of impressive educational capacities and resources that attract students and research workers, as well as teachers, from over the globe.

Students Enrolled

Differing systems of curriculum organization prevent the determining of exact totals of students enrolled in each of the many fields of specialization. But among the 75,000 students, the accredited colleges, universities and professional schools are training some 1,800 lawyers, 4,000 engineers, 7,000 business administrators, 800 psychologists, 900 specialists in speech work, 600 social service specialists, and 3,500 theologians. Fifty-five hundred teachers are enrolled in education divisions or schools, almost 50 per cent of them in the city's own Chicago Teachers College. L

Technical institutes at University of Chicago across the street from Stag Field

(Continued on page 349)



Museum of Science and Industry attendance tops all U. S. museums

FOR A METROPOLIS

MUSEUMS

They Contribute Vigorously To Public Education

ONE of America's best good will ambassadors, telling the story of Uncle Sam's industrial and scientific achievement to foreign countries, is a Chicago museum. American executives have grown accustomed to welcoming foreign businessmen surveying American commerce and industry on State Department tours. What the American hosts may not know is that the visitors' stops are reduced and their understanding of New World technology enhanced by a visit to Chicago's Museum of Science and Industry. This unique institution is now a regular stop for State Department tests, and many write that their visits helped crystallize the welter of impressions gained elsewhere.

Chicago's seven major museums contribute energetically to the city's and the nation's progress as well as the education and entertainment of the public. The man who regards these great institutions as only places to take his children on rainy weekdays might well take another look. Moving, functioning exhibits tell the story of American industrial progress at the Museum of Science and Industry and provide a showcase for the research and accomplishments

of leading companies. Visitors proceed through a life-size coal mine in actual operation, or view the Santa Fe's miniature railroad, which reproduces an entire rail system. General Motors' Motorama display details the story of power and the automobile. Swift & Co.'s "Food for Life," complete with living farm fowl and animals, describes American agriculture, food processing and nutrition. International Harvester, B. F. Goodrich, Aluminum Company of America and Inland Steel are among the many prominent firms maintaining exhibits. The Museum's attendance, 2,225,735 last year, tops the drawing power of other American museums.

At the Chicago Natural History Museum, president Stanley Field describes the enormous collections as a "microcosm of the basic realities of the world." Thoroughly covered are the four natural sciences — anthropology, botany, geology and zoology — with Malvina Hoffman's series of sculptures, the Races of Mankind, perhaps the most widely known among the exhibits.

Behind the scenes, the Natural

(Continued on page 290)

Adler Planetarium is known throughout the world



Art Institute's famous lion



Chicago Natural History Museum



Harding Museum





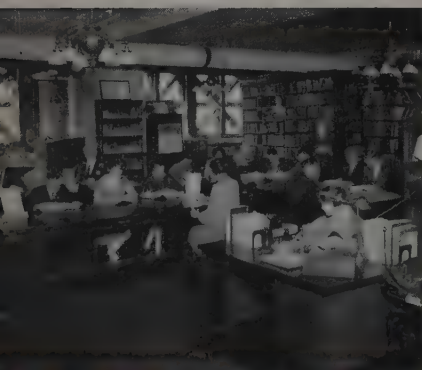
Crerar's reading room



The Chicago Public Library and at right, John Crerar Library



Midwest Inter-Library Center



Old view—Municipal Reference Library

PRICELESS CIVIC ASSET: LIBRARIES

LIBRARIES commonly are referred to as the banks, or depositories, of human knowledge. But those in the Chicago area more accurately could be described as a "revolving fund." For the area's more than 800 private and public libraries constitute a coffer rich in facts and services constantly used by Chicago's business and industry.

No mere storehouses for dusty volumes, Chicago's living libraries offer services ranging from special research jobs aiding business planning for new foreign outlets, to "how-to-do-it" blueprints that help John Citizen build his own house.

One of the busiest Chicago libraries is also one of its newest — the Library of International Relations, the only such institution in the nation that is free and open to the public. In its short history, L.I.R. has

amassed a large, carefully selected collection of materials on the economics, trade, finance, politics and sociological data of the rest of the world, with highly specialized collections on Latin America, the Soviet Union, Germany and the Far East. Almost a thousand foreign periodicals and newspapers, many arriving by air mail, keep Chicagoans informed on up-to-the-minute events.

Special Aid

Reference assistance is available to the general public, but Chicago firms obtain special and more detailed aid through two channels. One, a business membership in L.I.R., carries with it such reference services, often supplied by telephone, as bond quotations in India (requested by Chicago bank), recent quotations for a particular stock in Latin America and information on workmen's compensation laws in Venezuela. The other is a research service, with fees arranged on a cost basis, for extensive fact searches, specially prepared bibliographies, and the like. See Roebuck and Co., for example, on

(Continued on page 352)



Newberry Library has outstanding special collections



Northwestern University medical center



Korth photo

Operating room scene

NEW MEDICAL MECCA OF THE WORLD —CHICAGO

By Roy Gibbons

CHICAGO'S contributions during the past 50 years to the Golden Age of medicine are conceded by scientists to be among the brightest pages in the record of human progress and welfare.

Some of the world's most significant medical and surgical developments have had their origin here during that period. Other accomplishments of equal importance, in the fields of public health, sanitation, epidemiology and nutrition, likewise have been brought to fruition with the assistance of courageous and far visioned research that received its inspiration in Chicago.

Dr. Lowell T. Coggeshall, biological sciences division dean at the University of Chicago, has observed that only 50 years ago, as far as the outcome of diseases was concerned, it was of relatively little importance whether a patient saw a doctor or not. The physician's function of that era was largely that of an assistant to nature in fighting disease. His ministrations were devoted largely if not almost exclusively to bolstering natural body defenses by improving rest, nutrition and comfort. Specifically, there were few aids at his disposal. This was the period of 100 per cent death rate for such diseases as bacterial endocarditis of the heart and pneumococcic meningitis, of pneumonia with a mortality of one

in three, and when the odds against recovery from blood poisoning or peritonitis were eight to five.

With today's antibiotics the modern physician can accomplish more in a few minutes for the patient with pneumonia than could his predecessor sitting up all night awaiting the "crisis," now fortunately, says Dr. Coggeshall, an almost forgotten word in medicine.

Today Chicago's five approved medical schools frequently experience difficulty obtaining sufficient cases of once common diseases, such as primary syphilis, lobar pneumonia and other historic killers, to teach young doctors.

However, not all the achievement and progress have been the product of microbe hunters and great clinicians. Some of the most

outstanding developments that have made for happier and healthier lives were born of industrial sponsorship in Chicago. Perhaps one of the most significant with respect to world-reaching effects was the birth of modern meat refrigeration by the packing industry of this city. This development made possible the safe shipment of meat to every nation on earth and to the most remote hamlets of this country. And the added supplies of such vital protein, made available to millions in convenient and economical form, are said by some authorities to be largely responsible for much of the improved nutrition that has resulted in a taller race of Americans whose children top their forebears by several inches.

Chicago likewise is the center of

development for most of the biologicals obtained from slaughterhouse animals. Although original research leading to isolation of these life saving drugs was not all done here, nevertheless, this city's great meat packing houses provided the facilities, developmental procedures and raw products that transformed this field from a limited laboratory achievement into a successful effort of wide practical importance.

Biological Products

Among these biological products are insulin, thyroid and adrenal gland extracts, trypsin, the chemical scalpel, pituitary compounds, liver extracts, gamma globulin, bone marrow, ACTH, cortisone, and a long list of similar substances, all incredibly valuable in the armamentarium of the modern physician. Without insulin, for example, millions of persons suffering from diabetes would now be dead.

Gamma globulin offers protection against polio and also is employed to combat measles and infectious hepatitis, a liver ailment. It would require a separate treatise to explain the uses for each of these preparations whose processing has developed a new industry giving employment here to a small army of scientists and technologists.

When one thinks of Chicago's medical accomplishments a list of great names associated with the healing arts immediately comes to mind. Typifying the illustrious physicians and surgeons whose work has brought renown to their city is the late Dr. Joseph B. DeLee, pioneer obstetrician who helped found Lying-In hospital of the University of Chicago. His achievements pointed the way for new techniques in safe childbirth, saving the lives of countless mothers and babies.

Others include: Dr. Christian Fenger, early Chicago surgeon regarded as the father of modern pathology; Dr. Ludvig Hektoen, who was first to suggest that blood grouping would reduce mortality in transfusions; Dr. James B. Herrick, who established coronary thrombosis as a separate disease; Dr. John B. Murphy, surgical genius popularly famed in memory as inventor of the Murphy "button" used in abdominal operations; Dr. Franklin H. Martin, founder of the American College of Surgeons, and Dr. Howard Taylor Ricketts, martyr to science who discovered the cause of Rocky Mountain spotted fever, and for whom the causative rickettsial organism of that disease and typhus fever is named.

Still others in Chicago's medical hall of fame include: Drs. George

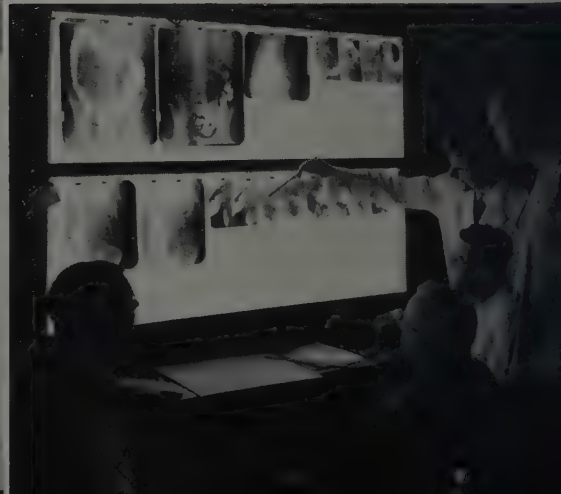
and Gladys Dick, a husband and wife team of physicians who developed the famous Dick test for scarlet fever; Dr. Bertram W. Sippy, originator of the famed Sippy diet and treatment for stomach ulcers; Dr. Allen B. Kanavel, whose monumental work on infections of the hand remains a medical classic; A. B. Luckhardt, discoverer of ethelene gas widely employed as an anesthetic; Dr. H. Gideon Wells, famed for his textbook on chemical pathology; Drs. Willis Potts and Stanley Gibson of Children's Memorial hospital, noted for the "blue baby" surgical technique for congenital heart disease; the late Dr. Maude Slye of the University of Chicago, whose work with mites led to the first scientific understanding of the influence of heredity in cancer, and Dr. Charles Huggins, also of the U. of C., internationally noted as the first surgeon to remove the adrenal glands in the successful treatment of certain kinds of prostatic cancer.

Use of X-rays

It also is a matter of history and pride that the use of X-rays for the treatment of disease had its origin in Chicago on January 29, 1896. On that day, Dr. Emil H. Grubbe used a primitive X-ray device of his own design to treat a woman suffering from recurrent carcinoma of the breast. Dr. Grubbe also is credited with being the first person to treat disease with emanations from chemicals in which he induced artificial radiation by exposing the substance



Portable X-ray developed at Argonne contrasted with standard equipment



Looking over X-rays at U. of Chicago

X-rays, years before the development of the cyclotron or atomic power.

But glorious as Chicago's medical contributions have been in the last half century, the city's future as the acknowledged medical capital of the world is considered even more promising by leading science experts and medical educators.

Here are some facts on which they base their opinions:

Chicago is the only city in the world that supports three dental schools. More than one-fifth of the nation's doctors receive their medical education here. It has been conservatively estimated that one doctor of every five in the nation was obtained all or part of his training in Chicago.

Five great medical schools, operated in conjunction with unsurpassed hospital and research facilities, are a magnet for medical students. The schools are Northwestern, University of Chicago, University of Illinois, Loyola University's Stritch School of Medicine, and Chicago Medical School. In one of this year 663 new doctors are graduated by these schools.

The Chicago area, including all Cook County, has 80 approved hospitals in which the Joint Commission on the Accreditation of Hospitals has approved posts for training 621 interns and 991 residents seeking postgraduate experience.

There are 22,796 beds in 80 certified Cook county hospitals. Of these, 18,065 beds are inside the city's corporate limits. They also have 2469 bassinets. These institu-

tions in 1953, according to statistics supplied by the Chicago Hospital Council, had 586,361 admissions, and recorded an average census of 16,361 patients daily.

Total expenditures of these institutions in 1953 was \$133 million, including payrolls of \$87 million. Their plant assets total \$185 million and their combined assets are appraised at \$270 millions. Last year they gave employment to 28,043 paid personnel.

In addition there are 31 recognized hospital facilities (19 in the city and 12 in the suburbs), that provide custodial, mental, tuberculosis, and other kinds of specialized care. These facilities operate 11,491 beds, of which 8,239 are in Chicago and 3,252 in the suburban area of Cook county.

Employees per Patient

The Chicago Hospital Council says that today there are approximately 1.9 employees assigned in each Chicago area hospital for every bed patient. In the 1930's the ratio was about 1-1. About 65 per cent of the average hospital budget is allocated for salaries of service employees.

In addition to its facilities for medical education and service, Chicago also is the site of three vast medical centers. These are situated on the near northside campus of Northwestern university, on the Midway campus of the University of Chicago, and on the west side.

The west side medical center is rearing new skylines on a 305 acre tract granted by the state legisla-

ture in 1941. It is bounded by Roosevelt Road, Ashland Avenue, Oakley boulevard and the Congress street expressway.

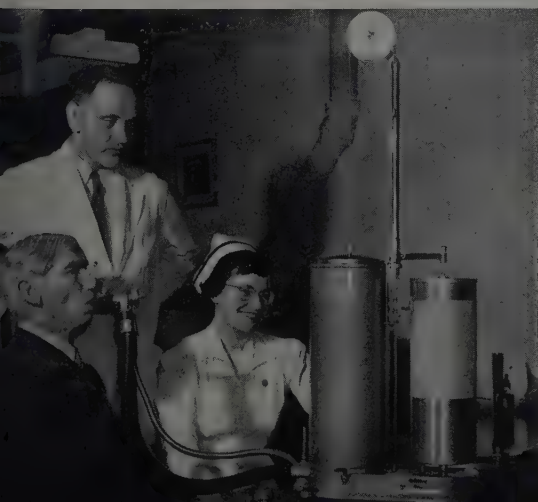
It was born of a dream and has been described as a "garden of health." The land and buildings once were considered a \$300 million project, but when the project is completed, perhaps in another ten years, it will represent an investment of at least \$500 million, in the opinion of those who have nurtured its growth and development. No other nation ever has envisioned so colossal an effort dedicated to the conquest of disease and suffering.

Northwestern University's medical center program includes plans for the eventual construction of ten new buildings including an institute of nutrition already operating. Northwestern's center also is associated with the operation of the northside Veterans' Administration hospital located on its campus. The medical clinic of the university annually treats in excess of 85,000 patients.

The University of Chicago medical center includes the Argonne Cancer Research hospital, a \$5 million facility operated by the school for the Atomic Energy Commission. The U. of C. center also houses a 400 million volt cyclotron and various other ray emitting and atom smashing devices in the super voltage range. Most of these already are enlisted in the fight against cancer. The huge cyclotron, costing \$1,750,000, is now employed as a research tool to study the fun-

(Continued on page 295)

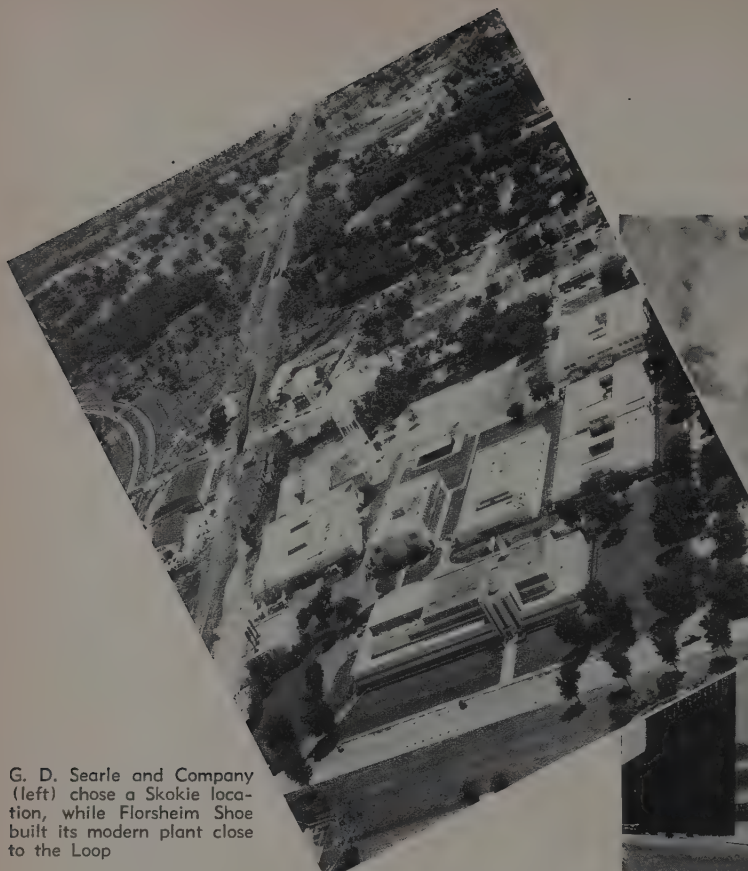
Carl Sandburg helps out in U. of Chicago allergy study



Polio patients get physio-therapy at Univ. of Illinois



INDUSTRIA



G. D. Searle and Company (left) chose a Skokie location, while Florsheim Shoe built its modern plant close to the Loop



Chicago Area



Steel is an important part of Chicago's industrial greatness

U. S. Steel photo

AS THE result of a unique combination of natural and man-made factors of geology, topography, climate, geography, and technology, Chicago has the greatest aggregation of diversified industries in the world today.

Lake Michigan played the most important role in Chicago's early life, because it was a main artery for transportation. To get around the lake from east to west, later methods of transportation had to pass through Chicago.

Chicago is in the heart of one of the greatest agricultural regions on the face of the earth, and its industry has drawn on the farm for raw materials for a tremendous variety of goods. Timber, coal, iron ore and oil are so placed in the surrounding territory that they are closer to C

DEVELOPMENT

By George R. Mitten



LEFT: Sawyer Biscuit's attractive new building in Melrose Park

ABOVE: View of the Melrose Park district of Clearing Industrial District

Postwar Plant Expansion Leads Nation

go—physically or transportation—than to any other great center. In its humble beginnings, Chicago was little more than a trading post—a breaking point in transportation where the portage was made between Lake Michigan and the Des Plaines River. Some rudimentary manufacturing was undertaken in the early years, chiefly for local use. Cyrus McCormick established his reaper plant in Chicago in the early 1840's, and by the middle of the 1850's he was turning out 15,000 reapers annually. Before the Civil War, shoes, clothing, wood products and some steel were produced here. The Civil War gave manufacturing in Chicago a great impetus, and

for the first time the city became a war production center. Meat packing was primarily concerned with preserving pork in brine in Chicago's early years, but the city did develop as a large livestock market. With the invention of the refrigerator car, which made it possible to send packing house products long distances from their point of processing, Chicago became the largest meat packing center in the World.

In the 1880's the Mesabi Range in Minnesota was opened for the shipment of iron ore to the Great Lakes steel centers.

One of Chicago's leading assets as an industrial center and as a center of large population has been its unlimited supply of fresh water in Lake Michigan. Thus the lake has been used for many purposes: transpor-

tation, industrial water, drinking water and recreation. It was because of this water supply that late in the 19th century Chicago became a leading center of petroleum refining and chemical manufacture.

By 1904 Chicago was already a well established, diversified manufacturing center. Just 50 years ago the city turned out \$955 million worth of manufactured goods in one year and employed 290,000 people in manufacturing jobs. Fifty years later employment has been almost quadrupled, and production was valued at more than \$18 billion.

It is interesting to note the limited variety of products made in Chicago fifty years ago, and the numbers of people employed in making various items. For example, bakers of bread

(Continued on page 296)

The author is manager, Industrial Dept., Chicago Association of Commerce and Industry.

Chicago Sets Enviably Record In Labor

Labor Force, Two Million Strong With Varied Skills,
Is City's Greatest Resource

By

James Peneff

JOE HILL, old-time Wobbly—he wrote and sang and died in the radical Industrial Workers of the World—once crooned:

"Tie 'em up, tie 'em up—that's the way to win.

"Don't notify the boss till the hostilities begin."

The IWW, organized in Chicago in 1905, advocated mass strikes and violence to win its aims, and did not believe in signing collective bargaining agreements. It provided a brief, turbulent episode in Chicago labor history, one sharply in contrast with the harmony that prevails over most of the local labor scene today.

Chicago, like other industrial centers, has its share of strikes, even today. But unlike other centers, it has been virtually free of strike violence for almost 15 years; a unique record that is beginning to attract national attention.

Probably the most important reason for the avoidance of violence and bloodshed with their long-lasting aftermath of bitterness, is the fact that a special Labor Detail of the Chicago Police Department was established in 1940 at the suggestion of the Chicago Association of Commerce and Industry, and was placed under the direction of Lieutenant Sergeant George T. Barnes, now a supervising captain.

The Illinois Bar Journal of June, 1953, made the following succinct appraisal of Captain Barnes: "Captain George T. Barnes, of the Chicago Police Department's Labor Detail, has almost completely eliminated industrial violence in Chicago. He has established a national reputation for his strict and impartial

enforcement of the law. Because of his exactness, fearlessness, fairness, dispatch and impartiality; Captain Barnes is respected by both management and organized labor and, through his efforts as a mediator, has been instrumental in bringing about fair settlement to hundreds of disputes."

Other Factors

Some competent observers believe that other factors are also at work to give Chicago an exceptionally good record with respect to the conduct of strikes. One such factor is the city's great diversity of industry. That diversity provides an economic climate in which the community's livelihood is not solely dependent on the turning of wheels of one or even several big factories.

Another factor is the existence of a mutual recognition by labor and management that once a strike occurs, it can be ended more quickly by even-tempered conduct. For example, the 53-day nationwide steel strike of 1952 affected about 90,000 workers in the Chicago area, yet no incidents of a serious nature resulted from the dispute.

Chicago area employers and labor unions, for the most part, are settling their differences peaceably in across-the-table, give-and-take bargaining. They are working harmoniously together toward common goals of higher production and better living standards for workers and their families.

Management is giving more and more attention to programs for improving employe relations. Union leaders, at the same time, are displaying a greater degree of responsi-

bility. Both recognize that the Chicago area's dynamic development in the last half century has been paid for by a labor force grown as mighty and versatile as the industry employing it.

Currently an army of more than two million Chicago area workmen and women is busily engaged in producing and merchandising a variety of goods and services unparalleled in the nation. These workers keep huge steel mills of the city humming with activity. They chronize mind and muscle to meat packing plants, machinery factories, apparel manufacturing firms, food processing plants, and printing and publishing firms—all parts of the backbone of Chicago area industry. They pour their energies into petroleum refineries, metals fabricating plants, railroad car shops, foundries, confectionery goods establishments, and into the countless channels of wholesale and retail trade.

A blend of many and varied skills in this huge labor force is gifted with limitless resources and a maximum flexibility. Whatever the requirements for a given production operation, the manpower is available here.

The area is endowed with a plentiful supply of workers—laborers, white collar employes, construction trades craftsmen, machinists, electricians, engineers, and operators of a wide variety of power machines. Chicago area artisans, whether in wood working or metalcrafts, are second to none.

The fact that Chicago has the world's largest supply of skilled craftsmen in metalworking, and many skilled workers in wood

relations

er materials, has been a magnet
many companies that have es-
lished plants here. Skilled crafts-
n are relatively immobile when it
es to moving to other towns or
es for work. As a consequence,
mployers needing these skills in
ntity have had little choice but
ome to Chicago.

Training Facilities

Chicago's facilities for the training
individuals not only in specific
is and in technical subjects are
surpassed. The scores of trade
ools, and the opportunities for
ancement even to professional
us through night school study,
powerful attractions to ambi-
us young men within a wide ra-
s of the city.

The U. S. Census Bureau estimat-
recently that workers in the Chi-
o metropolitan district (Cook,
Page, Kane, Lake and Will Coun-
s, in Illinois, and Lake County,
diana) comprise:

7 per cent—clerical, sales and
dred workers.

2 per cent—operatives and kind-
d workers.

6 per cent—craftsmen, foremen
d kindred workers.

0 per cent—proprietors, manag-
and officials.

1 per cent—service workers (ex-
t domestic).

per cent—professional and
n—professional workers.

per cent—laborers.

per cent—domestic service and
ellaneous workers.

There are some 145,000 commer-
l and industrial establishments in



Quitting time at a major plant

Ewing Galloway

the six-county area—about 14,000 of them in manufacturing. Less than 100 persons are employed, on an average, in each of 12,400 (or 88 per cent) of the manufacturing plants. About 2.3 per cent of the manufacturing plants employ more than 500 persons and account for about 48 per cent of total employment in that category.

Estimates prepared by the Illinois Department of Labor in co-operation with the U. S. Bureau of Labor Statistics show that in June, 1954, the Chicago area had a total of 2,446,900 non-agricultural employes, as against 3,307,700 for the state as

a whole. Manufacturing industries accounted for 967,100 employes and non-manufacturing industries for 1,479,800. Industries producing durable goods employed 629,000. Non-agricultural employes in Cook and DuPage Counties totaled 2,103,000 in June, 1954. Of this number 660,400 were women.

The Chicago Urban League reports that non-whites, most of them Negroes, represent ten to 12 per cent of the area's labor force. About half of these are employed in the meat packing and steel industries.

Chicago area production workers

(Continued on page 322)



Symbolic of Chicago's wholesale trade is the vast Merchandise Mart

WHOLESALE TRADE

Its Unexcelled Location As A Distribution Point Is Solid Foundation For Chicago's \$16 Billion A Year Volume

CHICAGO'S huge wholesale trade, currently running at a rate of \$16 billion a year, is a logical outgrowth of its location at the nation's crossroads.

From a wholesaling standpoint, Chicago's sphere of influence spreads over a vast area that includes on its perimeter such distant points as Jamestown, N. Y., Memphis, Deming, N. M., and Billings, Mont. The first-class rail freight to all points within this area is lower from Chicago than from New York City, New Orleans, San Francisco, or Los Angeles. Within the area are 72 of 197 U. S. cities with a population of over 60,000, and 36.5 per cent of the total U. S. population.

Here, also, are 38 per cent of the nation's retail stores, 34.4 per cent of the factories, accounting for 41.4 per cent of U. S. industrial output, and 44 per cent of the farm output.

The growth of Chicago's wholesale trade over the past 50 years is shown by the following table:

Year	Number of firms	Total sales
1904 est.	5,200	\$ 1.5 billion
1926 census	7,297	4.5 billion
1929 census	6,679	6.0 billion
1935 census	6,462	3.3 billion
1939 census	7,799	4.2 billion
1948 census	10,463	14.8 billion
1953 est.	10,700	15.6 billion

There are approximately 12,300 wholesale houses in the six-county Chicago metropolitan area, with annual sales amounting to approximately \$17 billion. Chicago wholesalers account for 94.8 per cent of this total. The metropolitan area wholesalers accounted for 7.66 per cent of the nation's wholesale volume in 1939, 8.05 per cent in 1948, and for a slightly larger percentage in 1953.

Chicago's wholesale trade started in 1848. In that year the Illinois and Michigan Canal, connecting Lake Michigan with the Illinois-Mississippi River system, opened for business. Communities sprang up all

along the new waterway. To serve the merchants of these new communities, Chicago merchants expanded their operations to include wholesaling as well as retailing.

By 1854 Chicago wholesalers of general merchandise, groceries, provisions, hardware and crockery, had organized a market promoting agency they called "The Wholesale Merchants of the City of Chicago."

In early August of that year they conducted what is believed to be the first co-operative wholesale selling event held in this city. Their widely distributed "Circular of the Wholesale Merchants of the City of Chicago to the Trade of the Northwest" invited retailers to come to a Chicago fall market opening. The names of about 100 wholesalers were listed.

In 1859 this organization was named "The Mercantile Association of Chicago." In 1869 it joined with an organization of Chicago traders

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State Street owes its start to Potter Palmer

RETAIL TRADE

State Street, Challenged By Outlying Shopping Centers And
Neighborhood Stores, Has Spent \$70 Million Modernizing

By
Paul Kunning

THE concentrated opulence of Chicago's State street draws nearly half a million customers an average day—more than the population of Dayton or Omaha. The magnetic attraction that pulls such crowds to this world-famous retailing center can be summed up in one word—variety.

Within the seven blocks separating Marshall Field and Co. and Sears, Roebuck and Co., can be found everything from pepper mills to hay bailers, paper clips to rare jewelry. And if a fussy shopper wanted to take the trouble, she could select from some 1,500 varieties of salt shakers.

State street's merchants sell about a million worth of goods a day. However, during special promotions, individual stores often come close to this figure on their own. A

few months ago, for example, an army of shoppers invaded Goldblatt Brothers, Inc., and carted away booty at the rate of \$2,300 a minute. At the end of the day, the store's footsore clerks had sold \$1.7 million worth of merchandise.

If there is one person to be thanked for State street's eminence, that person is probably Potter Palmer. Palmer left his Quaker home in Albany County, N. Y., and opened a dry goods store in Chicago in 1852. Thirteen years later when P. Palmer and Co. was sold to two young men named Marshall Field and Levi Z. Leiter, the firm was capitalized at \$750,000.

Some say Palmer sold out because he foresaw the end of the Civil War, and with it, declining prices and

hard times. Palmer's explanation was that he was ill and needed a rest. But whatever the reason for his switch from retailing to real estate, Palmer was one of the first to recognize the limitations of Lake street, the city's main retail center before the Civil War. Lake street was flanked by the Chicago river, which, according to one account of the day, "was the source of all the most detestable, filthy smells that the breezes of heaven can possibly float to the olfactories." More important, Palmer saw the tremendous growth in Chicago's future, and realized that the Lake street location could not accommodate the vast marketplace that was to come.

Starting in 1865, Palmer spent about \$2.5 million buying property along both sides of State street, then a narrow, crowded collection of twine and cordage shops, noisy inns, grocery stores and grog shops. He

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CHICAGO'S ROLE IN WORLD TRADE

Growing World Demand For Chicago Products And St. Lawrence Seaway Mean Bright Future

By

V. D. Seaman



Small foreign vessels make the long voyage to Chicago

Korth photo

WORLD trade is a fascinating business with not only the age-old romance of trading with far away lands, but the satisfaction of knowing that it is the means of earning attractive profits from the efforts and investments involved provided they are intelligently and skillfully directed.

If a more altruistic motive is desired, it is the knowledge that such a business makes a real contribution toward a better understanding among nations, and world peace—businessmen do not quarrel with

those with whom they enjoy mutually profitable relations.

The importance of foreign trade to the economy of the United States, one of the world's most self-sufficient nations but nevertheless dependent on other countries for scores of primary products, is indicated by the statistics for 1953. Exports from the United States for that year amounted to almost \$17 billion, while imports were about \$11 billion. This total of \$28 billion was augmented by many billions of dollars spent on foreign travel; fees for services rendered exporters and importers, such as the revenues for passenger and freight transportation, and insurance premiums; interest and service charges

on foreign loans and investment remittances by immigrants to relatives or friends back home, and remittances by thousands of others who send funds abroad, directly or indirectly, for many worthy causes.

Any attempt to measure Chicago's share in foreign trade is plagued by the unavailability of accurate statistics for any geographical subdivision of the United States. For the country as a whole the records compiled by the United States Department of Commerce are admirably reliable. Figures purporting to cover a state, or city, federal reserve district or any other area, are at best only an intelligent guess.

While the federal government has been criticized for not publishing more accurate export and import data by geographical subdivision, its failure to do so is understandable because of the problems involved. For example, which city should be credited with the exports of a company with its general headquarters in one city, its factory in a second, and its export offices in a third? That is not an isolated situation.

Suffice it to say that Chicago gets its fair share of the foreign trade of the United States and will continue to do so. In fact, the future of Chicago's foreign trade begs no description.

In the early years of the Twentieth Century total U. S. exports were averaging about \$1.5 billion with imports of approximately \$1 billion. The purchasing power of the dollar was, of course, much greater than it is today. It is no

(Continued on page 342)



Van Buren Street Station of the Illinois Central at time of World's Fair in 1893

As Hub Of Nation, Chicago Will Always Be . . .

RAILROAD TOWN, U.S.A.

By

Nancy Ford

ROLL into Chicago on any one of a score of famous-name trains, and you know you're in a railroad town. The sights and sounds of bustling passenger terminals and sweating freight yards are everywhere. There's the excitement and get-up-and-go that's always associated with railroading. Actually, Chicago is the greatest rail center in the world, just as it was when the Association of Commerce and Industry was founded. Its carload of statistics about railroading is as amazing as the industry's record of progress despite the bumpy grades of depression and the inroads of new forms of transport—planes, buses, autos, and trucks.

In Chicago's so-called "terminal district" extending crescent-shaped from Waukegan on the north to Joliet on the southwest, and Gary

on the southeast, there is loaded about four per cent and unloaded seven per cent of the country's total freight volume.

Running through this area are

7,800 miles of track belonging to 19 trunk lines, seven belt and switching, eight industrial, and three electric line railroads. Also there are 206 freight terminal and industrial yards with normal "spotting" capacity of some 207,000 freight cars, 255 freight houses, 372 public team yards, and several hundred specially constructed coal yards. Some 4,300 firms in the district have their own rail sidings. About 35,000 freight cars are handled every week-day — 5,000

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A Chicago and North Western streamliner against the city's modern skyline

The author is transportation writer, Wall Street Journal.



Today's trucks have sturdiness built into them



International Harvester made this auto wagon in 1906

TRUCKING INDUSTRY HAS QUADRUPLED IN LAST NINE YEARS

By
RAY VICKER

ONE day before the turn of the century a man lugged a heavy package to an auto parked in the dusty street. The car might have been a Duryea, a Winton, a Riker Electric or any of a dozen others. Nobody knows for sure. But, it was a flimsy vehicle with high seats, a sputtering motor that needed plenty of winding, and barely enough room to accommodate the motorist and the box. The driver pulled down his goggles, released the brake and rolled away

at ten miles an hour to deliver the package. That fellow didn't know it, but he was pioneering an industry—the delivery of freight in a motor vehicle.

Chicago is the center of the vast trucking industry. Within this city and suburbs alone are 2,000 local cartage companies. Some, like the Willett Company, Broderick Teaming, Arthur Johnson Company, Pennoyer Merchants Transfer, Arthur Dixon Transfer, and Edward J. Meyers Company, successfully bridged the gap between teaming and trucking. Brink's, which started toting baggage and small merchandise shipments in 1859, gradually became an exclusive mover of money and other valuables and now operates an armored car service in principal cities throughout the United States. The bulk of the companies are less than two decades old, with roots in the bitter depression



Loading a 19-ton section of cement on a Diamond T truck

when any man with a couple of hundred dollars and faith in himself could go into business with a truck.

It was this latter period too that spawned most of the 400-odd over-the-road motor freight companies that now provide Chicago with service directly or through interlocking arrangements to just about every point in the United States.

You find firms like Spector Motor Service, Mid-States Freight Line, Decatur Cartage, Webber Cartage Line, and old timers like Cushman Motor Delivery, headquartered in greater Chicago and serving points from New England to Kansas. Lines that are based elsewhere maintain huge terminals in Chicago include such companies as Pacific Intermountain Express, Roadway Express, Norwalk Truck Line, George F. Alger Company.

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The author is a feature writer on the Wall Street Journal.



Starliner is the Douglas DC-6



Midway is the world's busiest airport

It is inconceivable that Octave Chanute, the great French-American engineer, scientific experimenter, and organizer, foresaw even a fraction of the development and possible future attainments in the world of aeronautics which would be made in his adopted city of Chicago when in 1894-5 he commenced the first flying project in this area. Yet it is from roots laid down by Chanute when he was 63 years old—age when many men cease to be interested in any new field—that growth has come today to the point where this city is the “world’s aeronautical cross-roads.”

Midway airport, a square mile of ground nine miles southwest of the city, is the busiest air terminus—whether military or civil—on the globe today. Some six and a quarter million paying passengers in 1954 will parade through the somewhat makeshift door of the so-called new terminal building at 5800 S. Cicero avenue, and the even more dismal, dingy and run down entrance to the “old” terminal at 600 S. Cicero avenue, which has become the international depot where foreign airlines and overseas flights by American carriers have provided facilities for customs, immigration and public health authorities.

Even these signs of importance and broad usefulness are only partial glimpses of Chicago’s aviation

The author is aviation editor of the Chicago Tribune.

WHY CHICAGO IS ‘AIR CROSS-ROADS OF THE WORLD’

By

WAYNE THOMIS

picture today. In half a dozen huge, ideally laid out manufacturing plants (paid for with World War II appropriations by the federal government) some 20,000 men and women in the Chicagoland area are creating versions of the newest high powered gas turbine (pure jet) military power plants for air force and navy. These are prime contractors in what has, since World War II, become the United States’ No. 1 industry from the standpoint of dollar investments, sales, employe rolls, and general impact upon the nation’s economy.

As is inevitably the case the subcontractors here outnumber the prime manufacturers for the military by one hundred to one. From the Chicago environs daily go shipments of parts, pieces, units, and bits of every conceivable sort which, each in its proper place, fit into the

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Trying out experimental plane at Cicero field in 1912

CHICAGO GAINS AS FINANCIAL CENTER

The Nation's Bankers Look to Chicago for Leadership

By Daniel F. Nicholson

ON an average day more than 900,000 checks pour into one Chicago bank by mail, express, bus line, and messenger. The names of some of America's largest corporations are on many of these checks as payer or payee. Many thousands of the checks are sent in for collection by nearly 3,000 "correspondent" banks from every state in the union.

A similar deluge of checks flows into other giant Chicago banks daily, to be charged or credited to the accounts not only of Chicago firms but of industries and banks hundreds and thousands of miles away.

In recent years Chicago has made extraordinary gains as a financial center. It is recognized as the leader in banking progress, a fact that is bringing more and more of the nation's business firms to this city for financing rather than to New York.

New York is still the leading financial center of the United States; indeed it is the financial center of the world by a wide margin, but Chicago in the last two decades has made

impressive gains on the eastern city. This is especially true of Chicago's position as a city of bankers' banks, a position that carries the highest prestige. For example, interbank demand deposits held by 13 Chicago banks designated as central reserve city banks increased from \$270 million at the end of 1933 to \$1.3 billion at the end of 1953, while in New York's 22 central reserve city banks such deposits increased from \$1.2 billion to \$3.3 billion. Thus Chicago's portion of the combined total of interbank demand deposits in the two cities rose from 18.4 per cent in 1933 to 28.5 per cent in 1953.

Chicago's share of combined loans in the two cities increased from 14.9 per cent in 1933 to 18.4 per cent in 1953, and its portion of total invested bank capital rose from 11 per cent to 18 per cent.

An exhaustive study of the check

collection system in banking, recently completed by a joint committee of the American Bankers Association, the Association of Reserve City Bankers, and the Federal Reserve System, disclosed that on an average day in July, 1952, the volume of checks handled by commercial banks in the New York Federal Reserve district was 9,082,000 items, while the figure for the Chicago Federal Reserve district was 8,994,000. When "on us" items are deducted from the foregoing figures, as they must be in order to avoid duplications, the totals are 5,119,000 for Chicago and 4,656,000 for New York.

The largest bank in the world under one roof, and the second largest are Chicago banks. Because branch banking is not permitted in Illinois, these two banks, the First National Bank of Chicago and the Continental Illinois National Bank and Trust Company, rank fifth and sixth nationally, behind a bank in California with statewide branches and three institutions in New York with numerous local branches.

Size in banking is measured in



LEFT: LaSalle Street—heart of Chicago's financial district

BELOW: Main lobby of the Commercial Department of Continental Illinois National Bank and Trust Company reflects the impressive stature of Chicago's banking facilities



terms of deposits. The First National had deposits of \$2.5 billion on June 30, 1954, the Continental Illinois slightly under \$2.4 billion. Two other Chicago banks were well above the half billion dollar mark, the Northern Trust Company with deposits of \$673 million and the Harris Trust and Savings Bank with \$665 million, while the City National Bank and Trust Company reported \$379 million and the American National Bank and Trust Company \$293 million. Two others downtown, the La Salle National and the Chicago National, had deposits in excess of \$100 million, as did three outlying banks — the Chicago City Bank and Trust Company on the south side, the Pioneer Trust and Savings Bank on the west side and the Lake View Trust and Savings Bank on the north side. Aggregate deposits of the top six banks alone were just short of seven billion dollars at mid-1954, and the total for all banks in Chicago was \$9.6 billion.

Leads in Ideas

The progressiveness of Chicago banks has been demonstrated by their leadership in developing new types of financing. They have pioneered, for example, in accounts receivable financing, installment account financing, lending on field warehouse receipts, term loans for business, and the financing of fleet leasing of trucks and automobiles. The First National, for example, was the first bank outside Texas to provide credit to the oil industry, and is now a leader in this field.

But willingness to keep up with and even anticipate changing times

and conditions must be matched by capacity to make the multi-million dollar loans required by many business firms today. Chicago banks have this capacity.

In the period from December 31, 1933, and June 30, 1954, central reserve city banks in Chicago increased their capital accounts from \$203 million to \$582 million, or by 186 per cent. The First National will become Chicago's first bank with \$100 million of capital stock in December, 1954, when stockholders vote approval of a distribution of a \$10 million dividend in stock. Nine years ago the bank's capital was \$50 million.

There is still a third major factor in the great strides made by Chicago banks, and that is the unmatched service they give their customers — whether corporations, individuals, or correspondent banks.

A fascinating book could be written about the "extras" the Chicago banks provide their commercial customers and correspondent banks, all for free. No one could define what these extras embrace, because apparently there is no limit within reason.

It's daily routine to arrange transportation, make hotel reservations, and obtain tickets to "sold-out" plays, for the corporate or correspondent bank customer planning a trip to New York. It's so commonplace, in fact, that a big bank will likely have a couple of men who do nothing else. Of course they also arrange for

transportation and hotel reservations for the bank's own personnel, because bankers, contrary to appearances, do a lot of traveling to keep up with new developments in industry, to solicit new business, or to investigate before making a loan.

Meet All Problems

It's the uncommon services that are intriguing. Like the time a Chicago bank, at the request of an out-of-town bank, untangled a mix-up that would have resulted in deportation for a European girl because her intended husband got the signals mixed. Big city banks have more contacts and more sources of information than anybody, it seems, and their customers think of them first when a problem comes up. The problem may be to find a scarce item, or to meet somebody at the dock in Boston, New York or San Francisco. "We even do baby sitting," one banker says, and he wasn't joking.

These courtesies endear a bank to its customers, no doubt, but alone they would never account for the position that Chicago's banks have won. Services that affect the customer in his profit column are what really count.

A manufacturer wants to know the reputation or credit standing of an individual or another company; the bank can tell him promptly. The

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RIGHT: Mid-America headquarters of the Prudential Insurance Co., Chicago's newest skyscraper

New board room of A. C. Allyn & Co. takes on a quiet note after the day's stock market activity





Tapping an open hearth furnace

Inland Steel photo

FROM SAND DUNES TO STEEL

By Ray Vicker

ONE sight typical of Chicago is the glare of molten metal in the night sky—the glittering fireworks of tapped steel.

Fifty years ago the incoming traveler sitting bolt upright in a plush seat of the Lake Shore and Michigan Southern Railroad (now the New York Central) might have seen that sight among the sand dunes of the Lake Michigan shore.

The author is feature writer, Wall Street Journal

But the fireworks display would have come from only a handful of furnaces. Conceivably the traveler might have passed that infant steel industry and not have noticed it at all.

Not so today, for Chicago is now the world's largest producer of steel.

Day or night the traveler entering Chicago from the east is vividly aware of the 161 open hearths and 16 electric furnaces of Gary, East Chicago and South Chicago. The three biggest steel mills in the coun-

try are in the industrial triangle formed by these municipalities. These three are the gigantic Gary Works of United States Steel Corporation, the same company's venerable South Works, and Inland Steel Company's Indiana Harbor Works.

Mills of Republic Steel Corporation, Youngstown. Sheet & Tube Company and the Wisconsin Steel Works of International Harvester Company round out a basic steel producing area that even Pittsbu-

The Chicago area is now the world's largest producer of steel



Youngstown's hot strip finishing stands at
Indiana Harbor



Steel ingot being lifted from soaking pits

no longer can match. In fact, nowhere else on the face of the earth is there such a concentration of steel-making facilities.

It was only last year, 1953, that mighty expansions pushed the Chicago district's steel capacity to 22,293,000 ingot tons, as against metropolitan Pittsburgh's 20,211,780 tons of annual capacity.

Just beyond the metropolitan Chicago perimeter are three smaller mills which serve this area—Keystone Steel & Wire Company, Peoria, Ill., Northwestern Steel & Wire Company, Sterling, Ill., and Continental Steel Corporation, Kokomo, Ind.

But it is the mills in the Gary, East Chicago, South Chicago area that form the heart of Chicago's mighty steel industry. At current construction costs, estimated at \$300 for every ton of annual capacity, it would take about \$6.7 billion to replace them and all the facilities necessary to keep them going.

Last year over \$1.5 billion worth of steel rolled from these plants on thousands of trucks and railroad cars. There was cold rolled sheet for automobiles, refrigerators and washing machines, electrical sheet for electric motors, armor plate for tanks, wire for fences, bars for thousands of machinery parts, galvanized steel for grain bins, and

dozens of other types of steel in billet, bar, bloom, rod, sheet, shape, plate, pipe or structural form. Just about every kind of steel is made by Chicago mills or their subsidiaries.

Every day in the week nearly 100,000 workers trek through the gates of the various mills in this area. Their average weekly paychecks are about \$92, one of the highest rates in industry.

A tremendous industry has developed in and around Chicago to roll, form, forge, cold draw, heat treat, plate, and otherwise process steel from the mills before it is sent on for manufacture into final products.

Acme Steel Company, for example, is a producer of hot and cold rolled strip, hoops, steel specialties, venetian blind stock, and strapping. Bliss & Laughlin, Inc., is a producer of cold drawn bars. Columbia Tool Steel Company transforms raw steel into hot rolled bars and tool steel forgings, and LaSalle Steel Company produces carbon and alloy steel bars and shaftings for many specialized purposes. Divisions of Borg Warner Corporation produce plates and sheets, and a plant of Wyckoff Steel Company makes cold finished bars.

One step further along the way are the companies that produce

(Continued on page 312)

Excavating site of U. S. Steel's Gary Works in 1906



Republic Steel's plant in South Chicago





South Water Street Market in 1915



Kaufmann & Fabry Supermarkets, like this Jewel store in Elmhurst, dot Chicagoland

Satisfying The National Appetite

Local Food Industry Is A Giant, Many-Faceted Operation

ONE OF the largest dairy plants in the world is a three-block long, red brick building in River Forest. Inside, men with microscopes scrutinize the Bowman Dairy Company's products, insuring through science the safety of modern milk and dairy supplies.

Just outside the Loop lies another segment of Chicago's vast food industry, a street choked with trucks, where hurrying men push loaded hand carts through the crowds that jam the sidewalks. Inside the street's open stalls, other men talk and shout, bargain and argue in half a dozen languages.

This is the South Water Market, "the biggest outdoor poker game in the world," as one observer describes it. The dealer is Supply and Demand; the players the market's fruit and vegetable merchants. The stakes are high, and the rules for this particular kind of poker can't be learned in any book.

The Chicago area's food industry is part science, part guesswork, but most of all it is big—bigger in many respects than any similar accumulation of plant and products anywhere in the world. It includes 13,000 retail food stores which sell

nearly \$2 billion worth of groceries a year, 200 wholesale bakeries, 115 dairies, and plants that produce everything from coffee to pickles. The city pumps a steady stream of groceries and food raw materials through rail, highway and water arteries that lead to every corner of the nation.

Forest of Elevators

On the southern rim of Chicago, corn from Iowa and Illinois, and Kansas wheat, destined for mills in Buffalo, Baltimore and Philadelphia, are piled high in a forest of grain elevators along the Calumet river. Stored in the world's largest refrigerator—the cold storage warehouses scattered around the city—are the packaged fruits and vegetables, butter, eggs, cheese and dressed poultry that will appear in a few weeks on dinner tables from Maine to California. And on the city's near south side, western growers sell eastern buyers more than 50,000 carloads of fresh fruit and vegetables a year. More fresh produce is said to pass through Chicago than any other such center in the world.

Chicago sits in the midst of the

world's richest dairy pasture. Minnesota, Illinois, Indiana, Wisconsin, Michigan and Ohio bear the same relation to milk and milk products that Texas does to oil. These midwest states produce half of the nation's butter and more than a third of its fluid milk. Wisconsin alone, makes almost half of the country's American cheese, and with the other five states, accounts for more than a quarter of cottage cheese production. Manufacture of all other cheeses in this same area amounts to more than 700 million pounds a year, about 65 per cent of the nation's total.

This lush pasture provides Chicago with a milk supply considered the richest in the country. Bowman, the biggest milk distributor in Chicago and one of the country's large independents, processes more than 10 million pounds of milk products a day. Borden Co., which processes between 800,000 and a million pounds a day here, is generally rated second in Chicago, and Hawthorne-Mellore Farms Dairy, handling 600,000 pounds, is third.

The dairy industry deals in perishables. Milk, the basic raw material, must receive quick and careful treatment.



Woman's spotless pasteurizing and bottling plant in River Forest



Flour milling is a Chicago industry

Korth photo

ent to avoid spoilage. Thus, Chicago has become the industry's epicca, for the city is not only close to the cows, but it is the hub of an unequalled transport and distribution wheel.

Chicago's importance as a poultry and egg center has developed for the same reasons—superior distribution facilities available for a perishable commodity produced in vast quantities nearby. Iowa leads national production of chickens and eggs for market; Minnesota is second in egg production and fourth in chicken production. Both states also produce a sizeable percentage of the nation's turkey crop; Minnesota's 4.5 million pounds a year is the country's second highest, and Iowa's output is fourth.

Biggest in World

The largest enterprises of their type in the world are Chicago's cold storage industry and its Mercantile Exchange, the dairy industry's board of trade. On a single day recently the city's cold storage rooms held 15 thousand cases of fresh eggs, 28 million pounds of frozen eggs, 60 million pounds of cheese, 15 million pounds of dressed chicken and four million pounds of dressed turkey.

Most of the firms that distribute dairy products nationally either have their main offices or processing facilities in the Chicago area. The list includes Kraft Foods Co., Beatrice Foods Co., National Dairy Products

Corp. and Borden Co. Borden produces everything from coffee cream to livestock feed in its 25 local plants, employing about 4,000 of the company's total payroll of 30,000 workers. Beatrice, which does a nationwide business in excess of \$275 million annually, processes about 10 million pounds of butter a year in Chicago, in addition to large quantities of milk and ice cream.

The world's largest cheese factory is Kraft's Chicago plant, with a floor area of about 11 acres, and storage facilities for 18 million pounds of cheese. Shipping operations require a 32-car railroad freight yard, and 150 semitrailer trucks.

Much of the fruit and many of the vegetables handled in Chicago are grown far away, such as citrus fruits from Florida, Texas and California, strawberries from Louisiana, and potatoes from Idaho. A major share of America's fresh produce funnels through an 80-acre tract of land, known as the Chicago produce terminal, on south Ashland avenue near the south branch of the Chicago river.

The produce terminal is laced with railroad tracks, enough to hold 2,000 freight cars. In one corner of this yard is the world's largest potato patch, where close to a hundred carloads of potatoes and onions are bought and sold every day. In 1953, a total of 111,869 cars of fruit and produce passed through the terminal, about half of which was un-

loaded here. The rest, after changing ownership in the yard, was re-consigned to eastern and southern cities.

Less-than-carload produce shipments destined for Chicago's South Water Market go to the long, two-story building operated at the terminal by the Fruit Auction Sales Co. Fruit Auction does not buy or sell, but provides the facilities and personnel for one of the most unusual business transactions to be found anywhere. The firm handles daily, without written orders or contracts, about 40 carloads of merchandise worth some \$200 thousand. Buying and selling proceeds verbally by auction.

Third Granary

Besides the tons of dairy and poultry products, and the fresh produce that shuttles through the city, Chicago handles enough grain to rank as the third largest granary in the nation. Last year 30 million bushels of wheat, 114 million of corn, 26 million of oats, five million of rye, 13 million of barley, and 25 million of soybeans were received here.

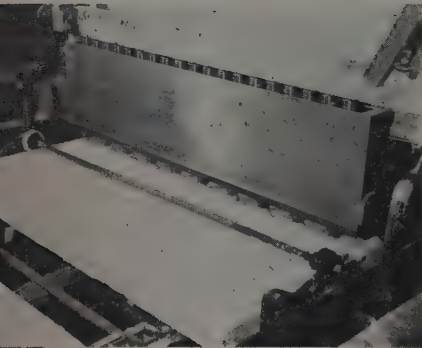
Some of the grain leaves soon after it arrives, with part of it scheduled to return to Chicago as flour for the city's huge baking industry. Some flour is milled in Chicago—B. A. Eckhart Milling Co., for example, one of the largest local mills, pro-

(Continued on page 234)

CANDY CAPITAL OF THE WORLD

Every Fourth Candy Bar In U. S. Is Made Here; Area's
Confectionery Output Totaled \$410 Million Last Year

By Russell Freeburg



Peppermint patties in the making



Filling and packing candy bars

WHENEVER and wherever in this country someone steps up to a candy counter and buys a candy bar the chances are about one in four it was made in Chicago. As a candy capital the city has no rival; its confectionery business in the last 50 years has become the world's largest.

The industry employs 22,000 persons and last year turned out \$410 million of merchandise. Its present payroll is more than \$86 million annually. Back in 1904, 3,378 persons were employed by the industry in Chicago. They were paid \$1.4 million to make products worth \$6 million.

From 1904 on the industry grew year by year. In 1909 there were 3,869 employees making products worth \$11 million. By 1919 the products were valued at \$61.6 million and employees totaled 8,761. In 1935 the value of the output had climbed to \$72 million and employees totaled 12,000 and four years later the number of employees stood at 14,076 and the worth of the products \$87.2 million.

The author is a member of the financial news department, Chicago Tribune.

As the local candy industry came larger its companies originated important new ideas. Bunte Brothers, founded 78 years ago, is said to have started soft fillings in hard candies in 1905. In 1906 it developed the Tango, believed to be the first candy bar in the United States other than the straight chocolate bar.

A group of four investment bankers including F. S. Yantis & Co., Chicago, purchased stock and control of Bunte Brothers from the Bunte family in 1953 and merged it with the Chase Candy Company of St. Louis, Mo. The big Chase company immediately decided to move to Chicago. Its directors last January approved the plan to move manufacturing and offices into Bunte's plant. The new company is Bunte Brothers Chase Candy Company with combined sales of \$20 million annually.

Since the opening of Brach's Palace of Sweets in 1904 with a capital of \$1,000, E. J. Brach & Sons has become by far the largest manufacturer of chocolate covered cherries and makes enormous amounts of other candies. Brach's

(Continued on page 331)

Taffy for Butterfinger bars used to be pulled by hand . . .



Now machines do the job



Curtiss Candy photo



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75 United Flights daily link Chicago to Major U. S. Commercial Centers

Originating from Chicago, the home of United Airlines, United's 365 mph DC-7s can take you to either coast in a few short hours. Intermediate cities, across the Nation's heartland, are also

easily accessible via smooth-flying United Mainliners®. Whether you prefer day or nighttime travel, you'll find United offers the utmost in luxury plus the greatest convenience.



Herefords in the "yo

This



THE smoke still hung heavy over the ruins at Pearl Harbor when Quartermaster department teletypes tapped out an urgent call to "Packingtown, U. S. —Chicago—for one million pounds of frozen boneless beef, securely packed for export, and to be shipped within 48 hours.

Packingtown, rising to the emergency, rushed into action. Less than eight hours after the message was received, the entire shipment was being loaded on refrigerator cars rumbling out of Chicago's freight yards, bound

LEFT ABOVE: Union Stock Yard equipped to handle 120,000 hogs a

LEFT BELOW: Government inspector stamps pork carcass



Korth photo



Wrapping bacon in a packing plant

American Meat Institute photo

Packingtown—The Square Mile That Is Provisioner To The Nation

Its By-Products Are In Everything From Drugs To Billiard Balls


a Francisco and important points west. Few incidents have dramatized more pointedly Chicago's importance to a meat-minded nation. Aggressive, far-sighted men had built up Packingtown over the years. The sweat of their brow so that the turn of the century Chicago's dominant position in providing meat for the consumer market never has been questioned.

Representative of this healthy, steady growth was the milestone reached last September when the 100-millionth animal passed through the Union Stock Yards gates in transit to dinner tables here and around the world. It is not easy to visualize a billion head of cattle, hogs, and sheep. But, by way of example, such a number of animals would form a belt 176 abreast, extending from New York to San Francisco.

Packingtown, U.S.A., is located within a square mile bounded by Halsted street on the east, Ashland avenue on the west, Pershing road on the north, and 47th street on the south, with the 89-year-old stock yards in the middle. Most of the local meat packing industry is concentrated in and near Packingtown. It includes the home offices and plants of Swift, and Armour, and to the west Wilson. However, one prominent figure who technically isn't a citizen of Packingtown is Oscar F. Mayer, 95-year-old chairman of the board of Oscar Mayer & Co. and, since the retirement last year of Thomas E. Wilson, the lone meat industry pioneer in Chicago still active. He continues to direct his firm's activities from its north side headquarters where he built a small factory in 1888.

The bigness, importance and responsibility attained by Chicago as it emerged as the meat capital of the nation can't be over-emphasized. The "Yards" can handle more than 40,000 cattle and 120,000 hogs a day, and turn out meat at the rate of 10,000 pounds a minute over an eight-hour day. Last year the Yards handled 2,265,240 head of cattle, 115,818 calves, 2,260,938 hogs, and 574,520 sheep and lambs, for a grand total of 5,216,516 animals. The value of these animals amounted to \$741 million.

Approximately 40,000 of Chicago's population receive their livelihood directly from the stock yards and packing companies, while an equal number derive their livelihood indirectly from them. By-products of the packing industry swell the total volume of industrial employment in



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Chicago's central location gives it a natural advantage that makes it the ideal convention city in America. It also has ample exposition halls, hotels and competent practitioners of exhibit advertising.

By gearing ourselves to supply the selling ideas, exhibit techniques, quality production and service which manufacturers need, we have grown with Chicago and are thankful that today we are

the leader in
CHICAGO
the leading
Convention City

the area tremendously. The development of drugs and pharmaceuticals from animal glands and animal by-products (discussed elsewhere in *The Chicago Story*) has written a new chapter of progress in recent years. ACTH, cortisone, insulin, liver extract, and vitamin products are but a few of the industry's life-saving contributions to medicine.

When the meat packer buys a pig or a steer he is actually buying a package and pays a price commensurate with what he hopes to obtain for the entire animal—not just the meat. Because he is able to utilize some of the non-edible products, he is able to pay the farmer more for this livestock. This in turn encourages the farmer to raise more animals. Increasing meat production, with the influence of the law of supply and demand, in the long run results in lower prices for Mrs. Housewife at the retail level.

By-Products

The importance of by-products was in increasing evidence during World War II. One of the more harmful effects of the wartime black market in livestock was the destruction of by-products by the illegal slaughterers at a time when the country needed them the most. Even the hide was destroyed in many cases so that the clandestine slaughter of animals might not be discovered. Considering that only somewhat over one-half of the live-weight of all animals can be turned into dressed meat, the tonnage of by-products runs into very large figures.

In the meat packing industry, by-products may include almost anything from the goatskin and wool of earliest Biblical days to the little pineal gland taken from the brain lobe of a bullock.

Not many years ago there were no by-products. Apart from hide and fat, all that was not meat was cast out, thrown away—dumped wherever the butcher could get rid of it. But as centralized meat packing grew up, the increased quantity of waste became a double problem. The greater the volume of trade in the earlier meat packing centers of Cincinnati and Chicago, the more urgent became the need for the proper disposal of its waste.

Thanks to intensive research by

the industry, parts of the animal that once were destroyed are put to hundreds of life-saving life-helping uses. Every day physicians the world over rely on meat products, which have as their source meat animals slaughtered in Chicago, to help save lives, battle disease, relieve pain and restore health for millions of people.

Besides medical by-products there are many other articles that have meat animal origin, including leather, glue, soap, surgical sutures, dental instrument strings, fertilizer from dried blood, hair oils, billiard balls, knife handles, buttons and cosmetics.

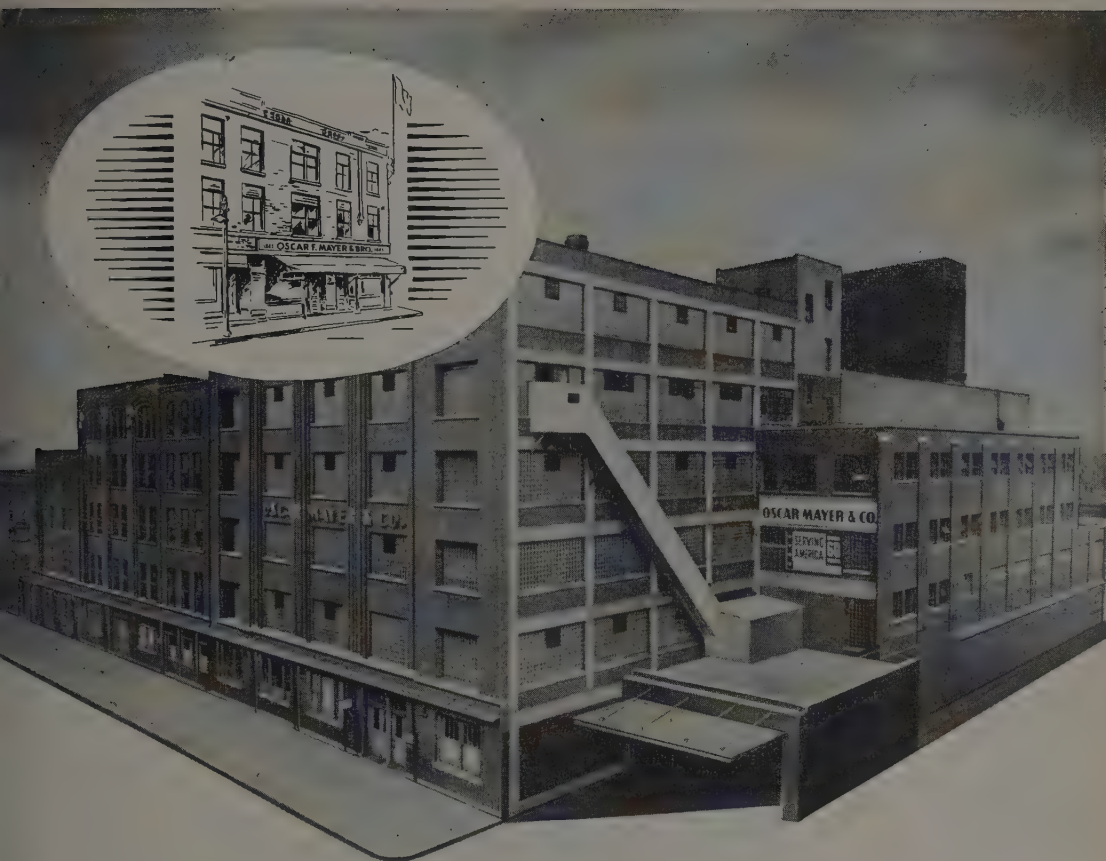
It was just 93 years ago that Chicago was taking over from Cincinnati—Porkopolis, as it was called then—the dominant position in the American meat packing industry. The great growth realized in the last 35 years of the 19th century was no accident. Great names had entered into the industry—Morris, Swift, Armour—to be followed later by Kahmy, Wilson, Agar, Mayer, Bremer, Miller and Hart, Roberts and Cullin, Illinois Meat and others now well known.

These were the pioneers that built the meat packing industry to new peaks of production, distribution, and improved service. Following the introduction of the refrigerated car, Chicago meats moved safely and rapidly to Eastern markets. Export trade was developed and meat from Chicago went out to an increasing list of nations overseas.

Some historians contend that Chicago might never have built up from the ashes of its great fire of 1871 to become the second largest city in the nation if it hadn't been for Packingtown. As they reason, the fire swept the city, leveling buildings after buildings, but Packingtown was left unscarred. Consequently, Chicago still had an important industry to use as a corner stone for its economic rebuilding. The meat packing industry brought farmers and ranchers to the city, brought money, and set up a much needed basis of trade.

Beef and pork animals were plentifully numerous in Illinois as early as 1820. However, it was Alton that erected the first warehouse in Illinois for packing beef and pork in 1821. Beardstown, Quincy, and Aurora soon followed. Chicago's

(Continued on page 354)



*From a market on Sedgwick Street—
to a proud place in Chicago's Success Story*

"...Well, well—a new meat market," commented neighbors on Chicago's Sedgwick Street in that year of 1883.

Yes, it was a humble little store that was opened on a dusty street in the prairie town of Chicago. But before very long the little business was inspired by Chicago's great challenge to grow.

Today the Oscar Mayer & Co. plant—near the site of the original meat market—is a modern food processing establish-

ment employing over a thousand people. With the growing demand for Oscar Mayer products, plants have been opened in four other cities—Madison, Davenport, Philadelphia, and Los Angeles.

We are very proud to be numbered among the many fine industries that have been part of the growth of Chicago as it has developed from a small prairie town to one of the great industrial centers of the world.



FINE MEATS SINCE 1883

The Big Pin in the Pure Oil Map...

Here's a company map that stretches from the Dakotas to the tip of Florida, from Virginia down to Texas—with telling sweeps into the Rocky Mountains and the Gulf of Mexico.

Full of "pins."

Pins to show oil fields in 14 states, including Texas, Oklahoma, Illinois, Michigan, West Virginia, Wyoming, Louisiana—high in the mountains and under the waters of the Gulf.

Pins to show terminals of pipelines, the river courses of towboats and barges, the blue and white

tankers that ply the inland waterways.

Pins to show refineries in Ohio, West Virginia and Texas.

Pins to locate laboratories—at refineries and at the big modern Research and Development Laboratory in Illinois.

Pins to show the bulk plants—and thousands of busy dealer service stations in 24 states.

But the general offices of the company are in the Pure Oil Building in Chicago.

For the Big Pin in the Pure Oil map—as in the maps of so many other forward-looking companies today—is in this beautifully centered Windy City by the lake.



The Pure Oil Company General Offices, Chicago

Be sure with Pure

OIL HISTORY— IT'S BEEN MADE IN CHICAGO

HERE isn't an oil well within many miles of Chicago, and the big oil fields of Texas, where about one-third of the United States crude supply comes from, are a thousand miles away, yet Chicago is the third largest refining center in the nation and a great center of research in petroleum.

Last year, 173,375,000 barrels of crude oil were processed here. The oil came to Chicago in pipelines, barges and trucks. A lot of it was consumed here, too, including 800 million cubic feet of natural gas, 1.3 billion gallons of industrial heating oil, and a billion gallons each of gasoline and home heating oil. The Chicago Transit Authority needed 10 million worth of propane, gasoline and diesel fuel to provide bus transportation for Chicagoans. The city's gasoline, grease and oil bill for just one year was \$700,000.

Much of the refinery activities is concentrated at the foot of Lake Michigan. The Standard Oil Company (Ind.) refinery at Whiting, Ind., is the largest petroleum processing plant of one of the nation's largest industrial companies and second largest of the oil companies. The plant is equipped to process an average of 208,000 barrels of crude oil a day, or roughly one-third of the capacity of Indiana Standard and its subsidiaries. The Whiting plant uses 15 million gallons of water a day, more than the entire city of Chicago. It employs more than two-thirds of the 11,000 persons who



Standard Oil's Whiting Refinery is the largest petroleum processing plant in the world

At The Foot Of Lake Michigan Lies The Nation's Third Largest Refining Center

work for Standard of Indiana in the area.

Nearby are the refineries of Sinclair, Cities Service and Socony-Vacuum in East Chicago, Ind., and of Calumet Refining in Burnham

and Petco in Blue Island. Pure Oil has a refinery at Lemont, along the Illinois Waterway, and a few miles further south is the huge Texas Company plant at Lockport. Sinclair refines one-third of its crude oil at the plant in East Chicago.

Oil is piped into Chicago area refineries by pumping stations like this one of Shell's at Vandalia, Ill.





Three-story fractionating columns are in operation at Pure Oil's laboratories



ABOVE: Exploratory cracking work was first carried out in this experimental Burton still Standard Oil of Indiana photos

Both Standard of Indiana and Pure Oil have their headquarters in Chicago.

The products of Chicago's petroleum industry are worth about \$1.57 billion annually. Some 45,000 persons are paid a total of \$250 million a year for refining and distributing these products. In the Chicago area there are 3,500 service stations, 300 bulk plants, and four research laboratories.

These four laboratories—Standard's at Whiting, Sinclair's in Harvey, the Pure Oil lab at Crystal Lake and the Universal Oil Products lab at Riverside—make Chicago a vital petroleum research center. In number of laboratory workers engaged in oil research, it is second in the nation.

Universal Oil Products, which, despite its name, owns no wells and sells no oil, maintains a continuous search for new and better methods of refining petroleum, for catalysts which will improve the conversion and purification of petroleum distillates, and for additives to be used in gasolines, fuel oils, solvents and other substances. The Riverside facilities include several pilot plants for testing and developing various petroleum refining processes and catalysts. Here, too, are trained the chemists and engineers who will be sent out to assist in the operation and servicing of many petroleum refining process units that UOP licenses.

At the multi-million dollar Sinclair lab, about 560 chemists, scientists, engineers and lab assistants are employed in research into all phases

of the petroleum industry. A great deal of attention is devoted here, in the other labs, to the byproduct of petroleum and finding new uses for oil. One of Sinclair's discoveries is a new industrial lubricant. Currently Sinclair is looking forward to combining petroleum byproduct with inorganic materials to produce molded products.

The Pure Oil research and development laboratory goes into everything from production and refining to transportation and marketing. A good-sized fleet of automobiles is always on hand to test new solvents and additives and lubricants. One of Pure's research developments is carbon sulphide made from wet gas. This is sold and licensed to outside firms and now is being used as a binder in textiles and in wallboard.

Standard Oil's huge laboratories covers 308,000 square feet of floor space and houses more than 1,100 scientists, engineers and technicians. Activities are divided into nine divisions: Hydrocarbon research, pilot plant development, process division, fuels and special products, heavy oils products, automotive research, chemical products, analytical research, and information development.

The fourth division is especially interesting to the layman, for among the special products are pesticides, weed killers, polishes and cleaning fluids. To study man's oldest and perhaps deadliest enemy, the bug, Standard provides an expensive air conditioning system to keep the bug quarters at a virtually constant 80 degree temperature and 50 per cent humidity. The lab's inhabitants include West Indian drummer roaches, about twice the size of the house hold cockroach, and tiny red spiders about half the size of a pinhead. About 10,000 houseflies are born there daily, and used for feeding other insects and for research. These inroads into other fields by the oil industry points up the extent of its growth in much less than a century.

In 1889 there were no oil refineries and no petroleum industry in the Chicago area. But on a spring day that year, the Lake Shore and Southern railroad stopped at a place called Whiting's Siding, amidst the rolling cornfields and sand dunes a few miles south of Chicago and deposited a group of oilmen from Cleveland. If someone had told these vis-



BELOW: Grain once grew on the site of Pure Oil's laboratories at Crystal Lake



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Serving the midwest . . . Cities Service is proud to be a part of the energy, the ambition and the success that is Chicago.

In Chicago, to serve all the midwest, Cities Service works . . . and indeed it is work. For to keep pace with this ever-growing, progress-minded colossus, Cities Service production men, at the wells and at the refineries, work 'round the clock. Cities Service research men, amid this infectious air of expanding growth and new successes, constantly outdo themselves in designing the greatest petroleum products the world has ever known. Cities Service marketing and sales people, with a verve that matches the excitement of this great city, strive, with their great products and courteous, efficient effort, to build the long list of consumer friends Cities Service enjoys.

All of Cities Service, whether in producing, refining, research or marketing, are proud to work in, and with, Chicago for the good of all "Chicagoland"!

FABULOUS "CAT CRACKER" at the Cities Service East Chicago Refinery . . . designed to provide all of "Chicagoland" with the finest petroleum products possible.



ANOTHER MODERN CITIES SERVICE INSTALLATION is this compound and packaging plant. Brings to the midwest the best oils known to science . . . oils made by the unique "Heart Cut" process from only the very choicest parts of the finest crudes.

CONGRATULATIONS,
Chicago Association of
Commerce & Industry
on your 50th Anniversary!

tors that they were about to establish what would someday be one of the world's great industrial areas—the Calumet District—probably they would have believed it. For these men were members of a new breed of American pioneers, a group that had been born too late for the covered wagon and the long rifle, but had found an even greater challenge in the machine.

In those days, the infant oil industry's most profitable product was natural kerosene, which was sold through grocery and hardware stores and was used to light homes and cook food. The visitors had come to Whiting's Siding because nearby was a potential source of kerosene, a pipeline carrying crude oil from Lima, O. The stuff that came out of the pipe was known, unflatteringly but appropriately as "skunk oil". About the only place it could be used was in Chicago factory boilers.

Not Quite Odorless

The Clevelanders thought they could make the Lima crude more profitable because they had a process for separating the oil from its smell, invented by a German chemist named Herman Frasch. Their first step was to form the Standard Oil Company of Indiana (capitalization \$500,000), and their next was to build a refinery, the beginning of Standard's present Whiting plant, which was opened in 1890.

Indiana Standard's first year was probably its toughest. The company was making kerosene all right, but as far as distributors were concerned it was the same old skunk oil under a new name. The Frasch process had left much to be desired, and merchants held their noses when a salesman appeared with a sample.

Soon after the Whiting plant opened, a young chemist named William M. Burton went to work for the company and established a laboratory in two upper rooms of an old farm house. There he developed a process that pushed the name skunk oil into limbo at last. A few years later a man named Henry Ford began making horseless carriages in Detroit. There were 8,000 registered motor vehicles in the United States in 1900; 468,000 in 1910, and nine million by 1920. In 1893 gasoline had been a drug on the market at five cents a gallon; seventeen years later,

the price was about 20 cents a gallon, and the oil industry was beginning to worry about having enough to go around.

The source of their concern was the fact that a barrel of crude was only about 18 per cent gasoline when it came out of the ground. With auto registrations skyrocketing, it looked like more wells would have to be tapped. Either that, or somebody would have to find a way of making gasoline out of the other crude oil fractions.

As it turned out, not one process, but two were developed. In 1909 Dr. Burton found the right combination of heat and pressure needed to break down gas oil, one of the heavier hydrocarbons in crude oil, into gasoline. He went to the company's board of directors and asked for \$800,000 to build what he called "cracking stills".

The Burton process involved a temperature of 750 degrees Fahrenheit and a pressure of 95 pounds per square inch. The Standard board was horrified. "You would blow the whole state of Indiana into Lake Michigan," one board member said. But eventually, Burton obtained his funds and by 1913, 12 stills were operating in Whiting.

The other inventor who extracted the oil industry from its 1910 dilemma was a Californian named Jesse A. Dubbs. The Dubbs "hydrogenation" process differed in detail, but involved the same heat-pressure application that was at the root of Dr. Burton's idea. The Dubbs patents were owned by Universal Oil Pro-

ducts Company, which in turn was owned by J. Ogden Armour, Chicago meat packer.

For several years the Dubbs process gathered dust. Then, shortly before World War I, Jesse's son, Gibson Petroleum Dubbs, took up his father's idea and worked it into a commercially feasible process. After the war ended, Universal began using the process on a license-royalty basis. This action precipitated a titanic patent battle that eventually involved Universal, Standard of Indiana, Standard of New Jersey, and The Texas Company. In 1931, after spending nearly \$2 million on legal expenses, and after more than 22,000 pages of testimony had been taken, Universal won.

The Burton and Dubbs processes which were used by refiners throughout the world during the '20's and '30's, were thermal cracking techniques. After them came several others which involved catalysts as well as heat and pressure. Among the most important of these catalytic cracking processes were polymerization, alkylation, and platforming, all developed by Universal.

Oil Giant

Responsible for polymerization was an ex-lieutenant general of Czar's armies named Vladimir Ipatieff. He had already made a name for himself in Europe before coming to the United States in 1931. Professor Stieglitz, head of the chemistry department at the University of Chicago, called Ipatieff "one of the giants."

When Ipatieff arrived at Universal he couldn't speak a word of English, and he had to take lessons from one of the company's secretaries. But this didn't stop him from developing polymerization—basically a process for converting waste refinery gasses into high octane gasoline. Then, together with Herman Piria, a chemistry professor at Northwestern University, Ipatieff worked out a somewhat similar process known as alkylation. The major difference between the two was that polymerization produced 90 to 92 octane gasoline, while alkyl gasoline was rated at 95 octane, and when tetraethyl lead was added, over 100 octane.

Alkyl gasoline paved the way for the growth of American aviation by providing a much larger, much



Standard Oil's Whiting refinery as it looked in 1890.



McCormick Reaper Factory, 1847, located on the north bank of the Chicago River just east of today's Michigan Avenue Bridge.

Chicago's our home town by choice... *a choice our founder made over a hundred years ago!*


During his travels in the Middle West, Cyrus Hall McCormick studied and compared the advantages of several of the larger towns. He chose Chicago as his City of Opportunity and, in 1847, built a factory to manufacture by mass production methods his epoch-making invention . . . the McCormick Reaper.

The McCormick Reaper was destined to herald an age of miracles in machine development . . . an age that helped emancipate man from toil. It was the forerunner of what International Harvester was to contribute to better living. And McCormick's early success encouraged other industries to come to Chicago.

The Chicago Association of Commerce and Industry has been a civic asset here since its organization fifty years ago . . . an increasingly valuable one, too! Today, Chicago remains the hub of International Harvester's world-wide operations, but a vast change . . . in keeping with the city's restless growth . . . has taken place. The McCormick Works at Blue Island and Western avenues has long been one of the world's largest farm machine factories. Other large Chicagoland plants are Motor Works at Western Avenue and West 31st Boulevard, West Pullman Works on West 120th Street.

Wisconsin Steel Works on East 106th Street and Melrose Park Works in Melrose Park. Extensive research is carried on in the Manufacturing Research Building at 5225 South Western. The company is administered from its General Office at 180 North Michigan. Altogether, the IH family in the Chicago area numbers about 30,000!

We're glad to have witnessed and participated in the growth of the city Cyrus McCormick chose as our home town. And you know what? We like it here . . . and intend to be around for a long, long time to come!

INTERNATIONAL  HARVESTER



Your Satisfaction Is My Constant Inspiration

YOUR HOST —

J. E. Egloff

You'll see that statement of policy inscribed on a sign in every one of the eight Toffenetti Restaurants in Chicago's "loop." Also, in the Toffenetti Restaurant at 43rd & Broadway, on Times Square, in New York. It expresses the enlightened business principle I began to apply in my first "loop" restaurant, the Triangle at 106 West Monroe, in 1915.

It simply means: Offer people the quality and variety of foods they enjoy, in generous portions, at reasonable prices—prepare it deliciously and meticulously—serve it quickly, courteously and appetizingly — and provide accommodations that are inviting and comfortable.

It is my personal pledge to every patron.

It is a constant reminder to our managers, waitresses, bus boys, and chefs to maintain the highest standard of excellence in preparing and serving the foods of your choice.

It is the spirit of Toffenetti Restaurants!

Indeed, every business that flourishes has a principle and personality to which it is ever faithful. I can gratefully say that America provides opportunities and rewards for the man who conducts his business with integrity.

As a member of the Chicago Association of Commerce & Industry since 1915, I know that this organization has contributed immeasurably to the development of Chicago and its fabulous "loop." The Toffenetti Restaurants—devoted to your satisfaction — are proud to be a part of it.

8 Toffenetti

RESTAURANTS
IN THE LOOP

In New York—One at 43rd & Broadway

ter source of high test fuel than had been available. And in 1940, 18 years after alkylation had been born, a whole nation was to owe a debt of gratitude to the ex-Russian army officer and the Northwestern University professor.

Late in the summer of 1940, Nazi bombers blotted out the sun over London. For the next two months, the Battle of Britain continued, as hundreds and sometimes a thousand or more of Germany's best pilots attempted to bring England to her knees.

England Saved

But England didn't go down; she was saved largely by 105 octane alkyl gasoline, which arrived from the United States early in the battle. The best the Germans had was 91 octane fuel. This difference in power ratings meant that the RAF's Spitfires could fly 25 miles an hour faster, and could outclimb and outmaneuver the Luftwaffe's Messerschmitts. Soon, as many as 160 German planes a day were being shot down out of the English skies.

The snowball started by Dubbs and Burton is still rolling. Already, the gasoline yield has risen from the original 18 per cent to about 45 per cent of a barrel of crude. According to the Oil Industry Information Committee, if the methods of gasoline manufacture used in 1918 were employed today, gasoline production in the United States in 1953 would have fallen short of needs by more than 24 billion gallons.

The improvement has been qualitative as well as quantitative. Today, thanks to higher octane ratings, two gallons of gasoline do the work performed by three gallons in 1925. And thirty years ago, about the only thing added to gasoline was tetraethyl lead. Today, motor fuel has as many ingredients as a fancy cake recipe: additives that prevent the tank from rusting; solvents that provide quick starts on cold mornings, and detergents to prevent the engine from getting gummed up.

One hundred octane automobile gasoline is no longer a dream; it is here, thanks to the development of platinumcatalyst refining processes during World War II, or "plat-forming," as the techniques are called.

One of the industry's most closely-guarded secrets is the exact amount

of platinum needed to make the processes go. Since platinum sells for about \$100 an ounce, it is clear that even a little is an expensive proposition. But, according to Dr. Gustav Egloff, director of research for Universal Oil Products, the refiners' demands don't even come close to absorbing the supply.

Dr. Vladimir Haensel, a UOP researcher, developed the first plat-forming process. UOP licensees now are using it throughout the United States and in such out-of-the-way places as Matraville, New South Wales; Marifu, Japan; Gelsinkchen, Germany, and Kuwait, the oil-rich desert area that borders the Persian Gulf. At present, plat-form gasoline is being blended with alkyl, polymer, and other fuel stock.

Benzene, toluene, and xylenes are three chemicals that have hundreds of uses in both peace and war. Benzene makes nylon, insecticides, plastic tabletops, and detergents. Toluene is a basic ingredient in both a high explosive, TNT, and a life-giving medicine, cortisone. Xylenes are one of the raw materials in rayon polyester fibre, a synthetic cotton fabric that has revolutionized the men's and women's clothing industry, and is also used in aviation gasoline and in explosives.

Until the plat-forming process was developed, virtually the entire supply of these three substances came from coal, and there was never enough. Large amounts had to be imported. But now the facilities are available to make all that is needed from oil. The Shell Oil Corporation alone currently is turning out 10 million gallons of benzene and 10 million gallons of toluene daily, via the plat-forming process.

For the American consumer, these and other recent advances in hydrocarbon technology means the dawn of a new era, in which a horn plenty made from plastics and other synthetic materials will dispense the good things of life cheaply and abundantly. So says Dr. Egloff, who also adds encouraging words on the availability of crude oil not only for its present 2,000 uses but for many others, far into the future.

Chicago, with its combination of great plants and outstanding research laboratories, will have a leading role in making Dr. Egloff's prophecies come true.



From
the 5th Floor
116 Michigan St.
In 1902

IN 1902, ten specially designed and constructed magnet wire insulation machines began operation on the fifth floor of a building at 116 Michigan Street, Chicago. This was how Belden Manufacturing Company got its start.

Good foresight—good fortune—perhaps both combined to make this beginning most auspicious. Chicago, already recognized as the crossroads of the Nation, was awakening to its tremendous potential for serving industrial America. Chicago offered opportunity in its geographic location, which meant so much to a new business; but, more important than the land, more important than the businesses and the machines already working here, were the people who pioneered this new virile community. The people made it the “ideal location” in which to grow.

They were the pioneers—co-operating, challenging, dreaming, and doing—who spelled out “fabulous” as a fitting description of the city’s growth. Symbolical of this Chicago

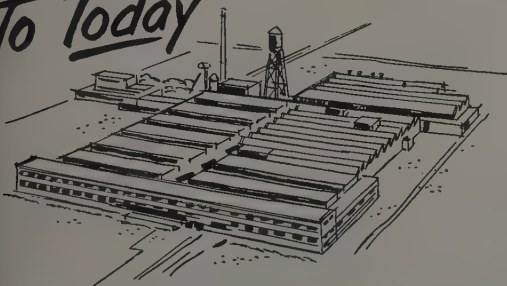
spirit was the formation of the Association of Commerce in 1904. At the start, the infant wire company united with and took its place in the community—pledged to serve, to co-operate, to meet the challenge of the times, and to reflect Chicago’s spirit of confidence in the future.

Belden’s opportunity for service grew as the community grew and prospered and became the industrial hub of more and more great industries: Power—Transportation—Appliances—Radio—TV—Electronics. Belden has kept pace with and served practically all of the major industries that have likewise found this great area so favorable to growth.

* * *

No company, no association, no city can stand still for long if they are to remain in existence. They must move forward. Chicago has. We are thankful that in our 52 years of service—our community, its people, and our friends, have kept alive the pioneer Chicago spirit and that we all are still looking forward—moving forward.

To Today



RICHMOND, INDIANA



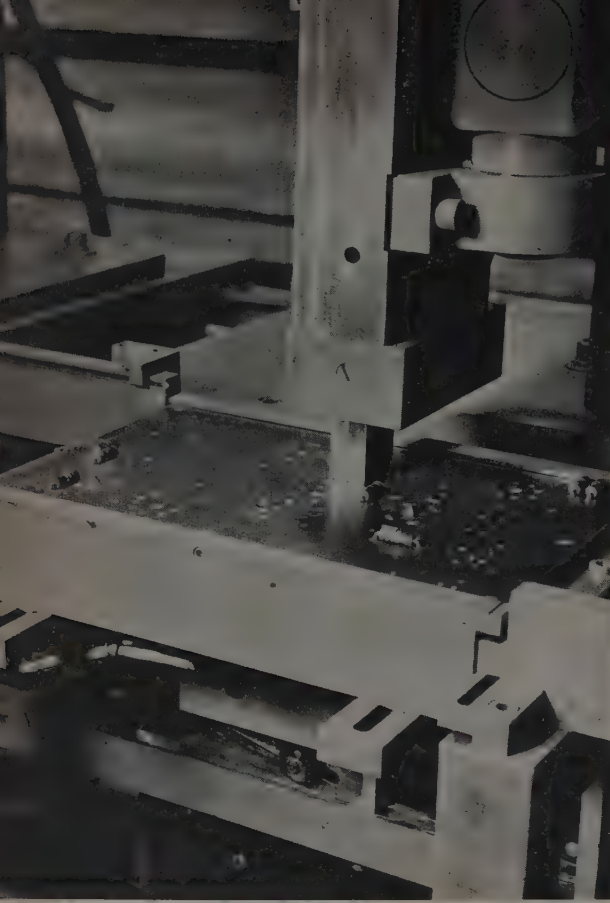
CHICAGO, ILLINOIS

Belden
WIREMAKER FOR INDUSTRY
SINCE 1902

ELECTRONICS—

Metropolitan Area's

By Larry Wolters



Printed circuits are recent improvement on television sets. This automatic machine inserts wire jumper that connects the circuits
Admiral Corporation photo.

METROPOLITAN Chicago's electronics (and electrical) industry, producing more than 1½ billion dollars worth of goods per year, according to Association of Commerce estimates, is by far the biggest in the nation. Its output in electronic and allied electrical items

runs to thousands of products. They range in size from great trucks to hearing aids, with their sub-miniature components. They include radio, television, radar, other fabulous electronic devices and an endless list of components.

The Chicago electronics industry,

which far outranks that of the Philadelphia-Camden area, second in the nation, is difficult to gauge in size. Chicago electronics involves hundreds of plants, many of them gigantic. Some 80 companies in the metropolitan area are members of the Radio - Electronic - Television Manufacturers Association, the trade organization of the industry. This was organized here way back in 1923 with E. F. McDonald, Jr., president of the Zenith Radio Corporation, as its first president. The RETMA membership list does not include some of the biggest makers of electronic equipment, such as the Western Electric Company, the great manufacturing division of the Bell Telephone Company, which has its vast Hawthorne works on the western edge of the city.

An idea of how big and vital the industry is can be gained from the fact that during World War II, 30 per cent of all electronic production

The author is radio and television editor
Chicago Tribune.

Drawing of TV circuit is photographed, then "printed" on aluminated plastic sheet



Motorola makes microwave relay systems, a form of communication used by many pipeline firms



A \$5-Billion Industry Born In Chicago

Output Of \$1.5 Billion Is By Far The Largest In Country

for the armed forces came from the Chicago industrial district. Presently the industry in the metropolitan area employs some 100,000 workers, and yet it is only 30 years since electronics came into widespread commercial use.

Siragusa Statement

Ross D. Siragusa, president of the Admiral corporation, an electronics concern that has had a phenomenal, swift rise, recently had this to say about the industry:

"It is always surprising to me that so few Chicagoans know how important this youthful (electronics) industry is to Chicago and, conversely, how important Chicago is to the industry. I don't know whether you have done this arithmetic yourself but the electronic sales of three publicly owned Chicago manufacturers in 1953 exceeded half a billion dollars. The three companies whose figures I have combined are Admiral, and two of our very able competitors, Motorola and Zenith."

Siragusa then stated that in addition there is the very substantial electronic production of Western Elec-

tric, Hallicrafters, the Belmont division of Raytheon Corporation, Stewart-Warner, Traveler Radio, Wells-Gardner and Sentinel. Their production together with that of the many companies producing components and other electronic products boost the total to 1½ billion dollars a year.

The old adage that "great oaks from little acorns grow" was never better illustrated than in the case of Chicago and its role in the development of the now giant electronics industry. The birth of the industry goes back to well before the turn of the century.

Possibly the most dramatic event in this story occurred in April, 1899. Prof. Jerome J. Green, then head of the physics department of Notre Dame university, was experimenting in the then infant science of wireless. He was invited to come to Chicago for a historic demonstration. Actually this venture proved to be the first successful test of ship to shore wireless in the United States. It was almost two years later that Marconi sent his first wireless message across the Atlantic.

A transmitting station was set up at the mouth of the Chicago river. Meanwhile, a tug plied a zig-zag course back and forth in Lake Michigan sometimes venturing out as far as two miles. Three blasts of a whistle meant that the sending station was being received; one that it was not. Most of the blasts came in groups of three. This experiment was the first in the mid-west to prove that wireless was feasible.

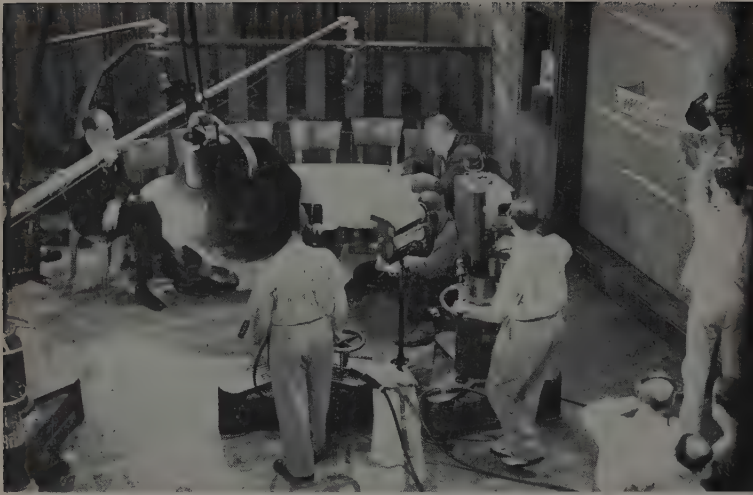
Pioneered News Use

After World War I, the Chicago Tribune took another notable step. On October 4, 1920, it began using 9-ZN, the Zenith station, to pick up news direct from Bordeaux, France. It became the first newspaper to receive direct radio communications

In final phase of Motorola TV assembly, tubes are removed from conveyor and placed in chassis

Zenith's "phonevision" system was developed in the company's laboratories in its main plant in Chicago





"Welcome Travelers," WBBM-TV Show, is a Chicago-originated program

for news purposes from a foreign nation.

Chicago's greatest claim to being the "birthplace" of the electronics industry rests on another development. The invention which has been called the greatest of the 20th century and one of the most revolutionary of all time was born in Chicago—Dr. Lee DeForest's audion, the three element vacuum tube, that literally changed the world. While the patent for it was not obtained until 1906, Dr. DeForest has said that the preliminary work which led to its development was done by him as a young amateur at Armour Institute (now the Illinois Institute of Technology) in 1900 and immediately thereafter.

Started on \$50

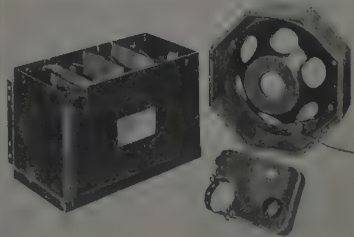
Today's five billion dollar a year industry was in a sense started on a borrowed \$50. DeForest, when he was graduated from Yale's Sheffield Scientific school in 1899, borrowed that sum to get to Chicago where he obtained his first job in the dynamo department at Western Electric Company. Dynamos occupied him by day, but at night he experimented with wireless at Armour. He taught classes three hours a week in return for the use of Armour's electrical laboratory.

Although several experiments had failed, DeForest clung to a notion he had that heated gases could be used to detect electromagnetic waves. Years earlier Edison had devised a

bulb and had proved that when the plate was positively charged a tiny stream of energy, transmitted by electrons, leaped across the gap and set up a minute circuit. J. A. Fleming, British scientist, succeeded in building this Edison effect into a bulb which would detect wireless waves but would not amplify them.

By adding a little bit of bent platinum wire to the two elements in the tube—inserted between the filament and the plate—DeForest succeeded. This "grid" has been compared to a Venetian blind. A blind alters the sunlight pattern as it is adjusted. The tiny bit of energy that comes to a radio tube through the radio aerial "pulls the cords" on the grid and increases or diminishes the flow of electrons through the tube. By hooking up several of these audion tubes in a series, so that the increased output of one operates on the second and so on, any amount of amplification can be obtained.

This invention, although it was



Motorola's first auto radio, sold and installed in 1930.

not comprehended at the time, was to change the world. From the "magic lamp" have stemmed not only radio broadcasting and reception, television, transcontinental and transoceanic telephony and sound motion pictures but a great variety of electronic musical instruments as well. The vacuum tube is required for radar, aircraft communication, guided missiles, the proximity fuze, anti-aircraft guns and other military gear, the electron microscope, fan simile, hearing aids, and the fabulous new electronic computers. It is also coming into widespread use as "automation," the automatic operation of many industrial machines.

The vacuum tube has been called "man's most versatile servant." The radio tube can be made to talk, hear, see, smell, feel, taste, count, regulate and even to some extent, remember.

In modern industry, electronic devices, based on the tube, sort, test, measure and count products of many types. They are used to prevent accidents. Printing presses rely on electronic controls to insure exact registration.

Steel mills use electronically operated cutters to shear sheet steel; the package buttons, screws, nails and many other small objects. Electronic testers find flaws in steel rails, tiles and foods. The electric eye which opens doors and guards warehouses could not do so without the miracle tube.

Electronic Heating

Electronic heating has speeded up the hardening of metal parts—gear cutting tools, shafts. It aids soldering, welding and brazing. It vulcanizes rubber, molds plastic, bakes plywood. It soles shoes, sterilizes packages, thaws frozen foods, melts chocolate, bakes hams or cooks hot dogs. The chemical industries use electronic tubes to rectify current especially in the making of aluminum.

Nuclear research could not exist without electronics. TV electron microscopy makes possible the watching of otherwise dangerous and radioactive materials in manufacturing and experimental processes.

While there are these countless applications of electronics, certainly its most dramatic use is broadcasting.

(Continued on page 292)



AMERICAN NAMES

by Stephen Vincent Benét*

I have fallen in love with American names,
The sharp names that never get fat,
The snakeskin-titles of mining-claims,
The plumed war-bonnet of Medicine Hat,
Tucson and Deadwood and Lost Mule Flat.

Seine and Piave are silver spoons,
But the spoonbowl-metal is thin and worn,
There are English counties like hunting-tunes
Played on the keys of a postboy's horn,
But I will remember where I was born.

I will remember Carquinez Straits,
Little French Lick and Lundy's Lane,
The Yankee ships and the Yankee dates
And the bullet-towns of Calamity Jane.
I will remember Skunktown Plain.

Rue des Martyrs and Bleeding-Heart-Yard,
Senlis, Pisa, and Blindman's Oast,
It is a magic ghost you guard
But I am sick for a newer ghost,
Harrisburg, Spartanburg, Painted Post.

I shall not rest quiet in Montparnasse.
I shall not lie easy at Winchelsea.
You may bury my body in Sussex grass,
You may bury my tongue at Champmédry.
I shall not be there. I shall rise and pass.
Bury my heart at Wounded Knee.

Beautiful names dot the pages
of every Rand McNally atlas.
Look for poetry and find it,
the next time you see a map of America.

RAND McNALLY & COMPANY

PUBLISHERS • PRINTERS • MAP MAKERS

CHICAGO • NEW YORK • SAN FRANCISCO • WASHINGTON

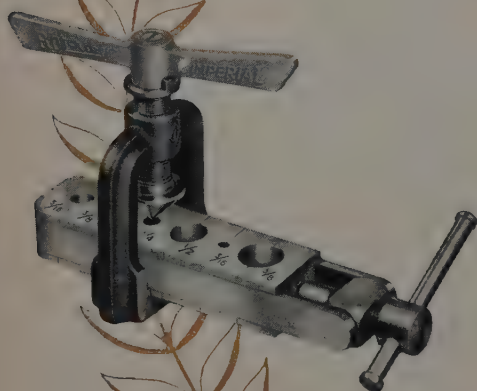
ESTABLISHED 1856



50th Anniversary

of THE IMPERIAL BRASS MANUFACTURING COMPANY

*Highlights a half century of pioneering
leadership in products for connecting,
valving and working with tubing*



The tremendous growth in the use of tubing by industry for conducting fluids of all kinds has always presented a continuing challenge for better tubing connection—a challenge vigorously accepted by IMPERIAL through the years.

In 1905, when the need for tubing connection was becoming apparent, IMPERIAL introduced the first flare fittings and then the first compression fittings—the forerunners of practically all modern tube fittings.

Since that time IMPERIAL has remained in the forefront in the development of tube fittings, valves and tubing tools—a pioneering leadership that has resulted in easier, faster and better methods of connecting, valving and working with tubing in hydraulics, instrumentation, automotive, refrigeration and general industrial applications.

IMPERIAL also manufactures a host of other products for industry. Each carries the Diamond "I", the Emblem of Quality.

THE IMPERIAL BRASS MANUFACTURING COMPANY, 1200 W. Harrison Street, Chicago 7, Illinois

IMPERIAL

Pioneers in Tube Fittings and Tube Working Tools

Emblem of Quality



TRANSPORTATION EQUIPMENT

*Area Is The Nation's No. 1 Producer For Railroads;
Important Center For Automotive and Aircraft Parts*

By Wilbur J. Brons

IT WOULD be surprising indeed, if Chicago were not the nation's No. 1 producer of railroad equipment, and yet the size and variety of the Chicago area's transportation equipment industry is little short of astounding.

Some 230 Chicago plants turned out \$980 million of transportation equipment of all types in 1953. Probably 90 per cent or more of that total consisted of railroad items—ranging from giant diesel electric locomotives down to thermostats the size of a fountain pen.

The diesel electric locomotives are produced here by the Electro-Motive division of General Motors Corporation. Electro-Motive is the undisputed leader in its field. Pullman-Standard Car Manufacturing Company, another and much older pioneer, is a Chicago-headquartered company and operates huge plants near or close to the city. General American Transportation Company, noted developer and producer of specialized rolling stock, is still another of the great Chicago names in the transportation equipment industry, along with Chicago Railway Equipment Company, Poor and Company, Standard Railway Equipment Manufacturing Company, Peterson-Muliken, and scores of others.

Western editor, New York Journal of Commerce.

57 turbojet engine made by Ford powered F-100 Super Sabre jet fighter to 5 mph record.

Electro-Motive undoubtedly has had the most spectacular record of recent years in the transportation equipment industry. Electro-Motive Engineering Corporation, the predecessor company, was an infant of eight summers when General Motors acquired it in 1930. Under its new ownership, Electro-Motive broke the ground for a plant in suburban La-Grange, Ill., in 1935. In 1936 the plant turned out its first locomotive unit, a 100-ton 600 horsepower diesel switcher. In 1939, EMD's first freight locomotive, the 103, began an 83,000 miles road test. And in 1940 production of locomotive units began to approach one for each working day, an unheard-of pace in the building of prime movers for the railroad industry.

Basis for Estimate

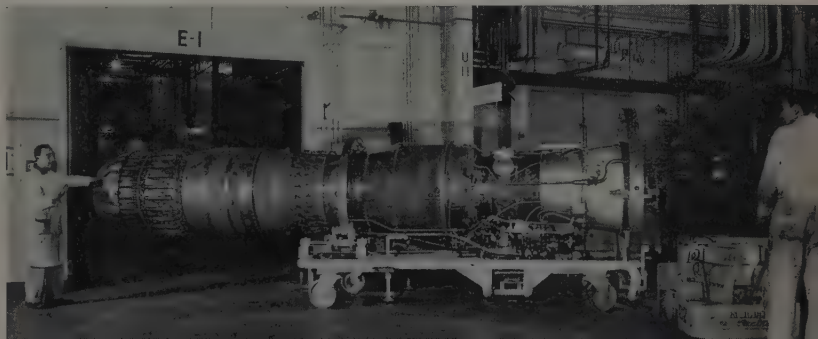
Today no one questions seriously Electro-Motive's supremacy. Although EMD does not make public its dollar volume, the figure is relatively easy to arrive at by another computation. The division has produced 25 million horsepower in lo-

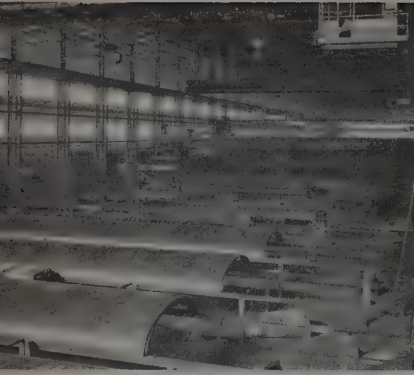


Electro-Motive is undisputed leader in diesel locomotive field.



Gary Works of U. S. Steel turns out railroad car wheels by the thousands.





Pullman - Standard has pioneered in the development of lightweight trains.

comotive units since 1936 and the average cost of EMD locomotives over that period has been \$104 per horsepower. This figures out to \$2.6 billion worth of locomotives.

Big Employer

In turning out that amount of motive power, Electro-Motive quickly became one of the Chicago area's largest employers. A working force of 10,000 at its LaGrange plant, plus about 3,000 in Plant No. 2 on Chicago's south side, was required on several occasions during the period when railroad dieselization was at its peak. Even today, with dieselization approaching a theoretical saturation point so far as the domestic market is concerned, EMD employs some 6,000 persons at LaGrange and 2,500 at the south side facility. The division's employment roll is equal roughly to about one-seventh of the railroad equipment industry's total in the Chicago area.

It goes without saying that the domestic market for railroad motive

power is not the lush thing it was when diesel-electrics were just coming into their own. Nevertheless, Electro-Motive has been keeping its plants busy bringing older locomotive units up to modern specifications and requirements. This program of rebuilding old units into locomotives with stepped-up horsepower and new cost-saving refinements in traction motors and controls has helped keep EMD employment at substantial levels.

EMD also has its eye on foreign business. Although the U. S. market for new equipment has narrowed considerably during the postwar years, the market for diesel-electric locomotives in other lands has barely been scratched. In our own hemisphere, Latin-America is a huge potential customer and efforts to cultivate it are being stepped up at LaGrange headquarters.

One of the oldest names in the railroad equipment industry is Pullman. To Pullman-Standard Car Manufacturing Company, lineal descendant of a company which settled in the Chicago area in 1879, goes credit for many of the innovations now generally accepted practice in freight and passenger car building.

19th Century Start

In passenger car construction some of these innovations go back as far as the middle years of the 19th century when George M. Pullman manufactured the first really weatherproof sleeping car and the first "Hotel Car" in which passengers might eat their meals by day and sleep comfortably at night. This dual purpose railway coach also contained the first upper berths.

So far as the transportation of passengers is concerned, perhaps Pullman-Standard's most significant contribution was its work in the development of lightweight trains. Today the company is engaged in engineering passenger cars to several standardized plans by which it can offer railroads the savings afforded by basic types plus a selection of "floor plans" to suit the carriers' individual ideas of arrangement. The company recently completed delivery of 141 of its newest type passenger cars to the Canadian National Railways System. Included in the order were 104 sleepers, six parlor cars, six dinettes and fourteen

diners—a total of thirteen different floor plans based on the company's new standards.

Pullman's program of passenger car standardization springs from its success in applying mass production methods to the manufacture of freight cars. The Pullman "standard" box car was designed in 1911 and was labeled "PS-1". The new car, produced in the company's Michigan City, Ind., plant, more than justified the hopes of its designers. Of the 7,890 box cars built by all manufacturers last year, 6,211 were Pullman PS-1's. The company's next offering in the standard freight car series was the PS-2, a covered hopper car. A welded hopper car, PS-3—has since been added to the line.

Leases Tank Cars

The largest Chicago area producer of rolling stock for specialized purposes is General American Transportation Company. Although General American is perhaps more widely known for the huge fleet of tank cars it leases to railroads and industrial users, the company also designs and builds cars for sale to railroads and shippers.

Custom fabrication of freight cars is growing steadily at General American's East Chicago plant. Phenomenal growth of the chemical and other continuous process industries in recent years has widened the company's market both for the cars it sells to customers and those it builds for addition to its leased fleet.

Among the feature items of General American's line are its Airside and Trans-Flo cars, whose construction and capacities can be altered to accommodate either high or low density industrial materials which must be protected from contamination in transit. Another popular GAT item is a box car that incorporates all the known features yet devised to protect general merchandise during shipment and thereby reduce damage claims by shippers and consignees.

A mounting demand for quick delivery of perishables to distant markets, General American's management believes, is going to be reflected in increased production of mechanically refrigerated cars for both lease and sale. This is a field in which highway motor carriers

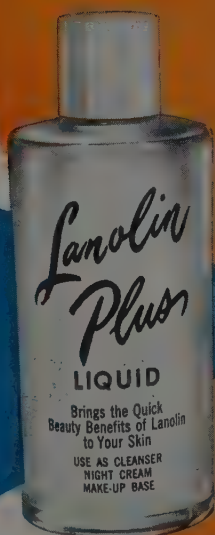


Recent agreement calls for Diamond T to assemble Harvester's heavy-duty trucks.

in three short years

Lanolin Plus

LANOLIN PLUS has become a name respected by retailers throughout the nation, and loyally loved by millions who derive daily benefit from the cosmetics bearing this name.



CONSOLIDATED COSMETICS, INC.

J. L. YOUNGHUSBAND
Chairman of the Board



Pettibone-Mulliken switches are used all over the world.



Steam generator for diesel locomotives is made by Vapor Heating Corporation.

have taken the play away from the railroads, most of which continue to rely on iced cars. The cost of converting iced cars to mechanical refrigeration, GAT's engineers say, is prohibitive—which suggests a good future market for new cars. The fly in the ointment at the moment is the heavy railroad investment in ice plants throughout the country.

General American's tank car fleet—more than 47,000 cars at the latest

check—requires a substantial amount of maintenance and repairs. Although the cars are not built in the Chicago area, service, repair and rebuilding keep the company's No. 2 plant at East Chicago busy the year around.

In this day and age, freight cars are put together much like automobiles. To keep fixed plant at a minimum, virtually all car builders and railroad car shops have long since abandoned the practice of making most of their own components. Rather than maintain large investments in foundries, huge presses and special-purpose milling machinery, they prefer to assemble their cars with major parts supplied by specialists. They have found that this method permits all the flexibility they need. The suppliers of car parts are willing enough, usually, to work with the railroads on special design to meet some particular railroad requirement.

Standard's Role

Standard Railway Equipment Manufacturing Company, with its main plant at Hammond, Ind., has long been a dominant factor in the fabrication of roofs, doors, ends, gates, couplers and other parts for all types of railway freight cars. Standard estimates that more than 75 per cent of freight cars in use today were assembled with roofs and ends made in its shops. In addition to freight car parts, the company markets a device by which the contour and concentricity of diesel locomotive wheels can be restored without removing them from their axles.

The first crude wooden rails used by American railroads, if they still exist, have been museum pieces for more than a hundred years. Various attempts were made to prolong their usefulness by protecting them with cast iron plates, and still later by the application of so-called "strap" iron to the wooden surfaces. Even stone rails were pressed into service for a brief period as rolling stock became heavier. Later came rails of cast iron and rolled iron.

It was not until 1865, when rails of Bessemer steel were rolled in a North Chicago mill from ingots cast at Wyandotte, Mich., that railroading began to emerge from an era of wood and iron. The pace of this emergence has been particularly

swift during the past 50 years, and the science of metallurgy progressed by leaps and bounds. And in this metamorphosis the Chicago area steel industry has, of course, played the major role. On their own account and at the urging of their railroad customers, steel makers here have pioneered in many of the developments that have made the commodity the major material of the transportation equipment industry.

Make Everything

The companies whose facilities range the southwestern edge of Lake Michigan from South Chicago to Michigan City, Ind.—United States Steel, Inland Steel, Republic Steel, Youngstown Sheet and Tube, Great Lakes Steel, and others—produce in one form or another nearly everything the transportation industry needs, from structural items for freight and passenger car frames and center sills down to small maintenance items, such as spikes and track fastenings.

Of equal importance to rail transportation are the many companies that produce little or no raw steel but fabricate hundreds of items without which modern railroading could not perform its services. Pettibone-Mulliken Corporation, for example, is an old line Chicago area company whose main plant is a landmark on the city's west side. Pettibone-Mulliken is the country's second largest producer of railroad track equipment. Its products also include switches, crossings, guard rails and many other items familiar to railroading. Buda company, now a division of Allis-Chalmers, has long been a manufacturer of similar equipment at its Harvey, Ill., plant.

Poor & Company and its subsidiaries supply railroads with a variety of products used in track maintenance and construction, including rail laying machines, automatic rail and flange lubricators and switch point protectors. Chicago Railway Equipment Company specializes in the manufacture of metal brake beams for railway cars and for locomotive tenders; bearing brake beam supports, rollers, guards, and track supplies.

The list of Chicago area producers and fabricators of railroad equipment is much too long to list



Revere is a Chicago story!

Chicago is alive, aware, growing and progressive. It is a city which inspires growth and progress in its business and industry.

Commensurate with this growth, The Revere Camera Company, under the guidance of Mr. Sam Briskin, chairman of the board, has far outgrown its original limits. It has become the country's largest manufacturer of movie equipment exclusively for the non-professional. Its reputation for fine equipment has spread progressively throughout the world.

In addition to home movie equipment, Revere, through its distinguished electronic division, has become a most important factor in the

manufacture and distribution of tape recorders. Its patented "Balanced-Tone" recorders are acclaimed by many of the world's greatest musicians.

In recent months, Revere has broadened its manufacturing scope to include an entirely new method of 35 millimeter slide projection. Among the revolutionary new projectors now being introduced, is the Completely Automatic Revere "888". It enables the operator to show as many as 36 slides without touching a finger to the machine—progress indeed!

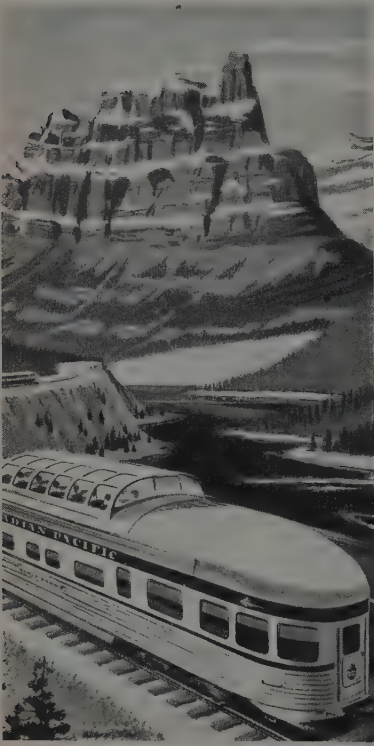
The Revere Company is proud to be a part of the progress of Chicago!

Revere

THE REVERE CAMERA COMPANY • CHICAGO 16, ILLINOIS



CANADA'S FIRST DOME RIDE!



Canadian Pacific's new Scenic Dome route via Banff and Lake Louise!

See Canada to or from the West

Now look to the left, to the right, ahead—and all the way up through the new Scenic Dome at Canada's spectacular country in its colorful autumn dress. Between Vancouver and Montreal. Scheduled year round for business or pleasure. Smooth, comfortable diesel power.

Canadian Pacific

See your local agent or Canadian Pacific,
39 South La Salle St., Chicago, Ill.
Andover 3-5940.



New box cars made by Pullman Standard for Chicago and North Western

given here in its entirety. It numbers such additional outstanding concerns as American Steel Foundries, Maintenance Equipment, Mercury Manufacturing, Ajax Consolidated, and Vapor Heating Corporation, to name a few.

Of these, perhaps the two best known outside the railroad industry itself are American Steel Foundries and Vapor Heating. ASF is an old-line area enterprise which down through the years has been a major supplier of railroad wheels, side frames, brake beams and other freight and passenger car parts.

Vapor Heating occupies a leading position in the field of heating systems and heat controls for the transportation industries. This company began about a half-century ago as a supplier of the old pot-bellied stoves that supplied what warmth there was in railroad trains of that day. It maintained its position when trains were heated by steam piped from locomotive boilers; today it is a major supplier of heating systems that are almost completely automatic, even to giving passengers cool air when outside temperatures call for that sort of treatment. The company has also found a large market for its vapor mercury thermostats in buses, automobiles and jet fighters and bombers.

Down through the years the identical factors that made Chicago the rail hub of the nation also have made the city the center of a vast network of hard roads. These highways accommodate common carrier

truck and bus lines serving about 30,000 communities of the United States. Virtually every consumer market within a 500-mile radius is within reach of one-day truck service.

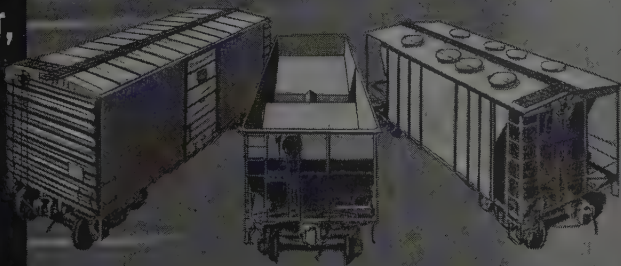
Ten of the world's major airlines have terminals in Chicago. In addition, the area is served by five feedlines and numerous non-scheduled operations. The city is also well on its way to becoming a focal point for international transportation by air. The movement of freight by air has been growing steadily.

These facilities, plus the railroads, give area manufacturers and distributors the shortest total shipping distance for national distribution of their merchandise. As in the case of the railroads, these factors have contributed to the over-all market for transportation equipment made in Chicago.

The area potential of motor truck production has been boosted several notches by a recent agreement between Diamond T Motor Car Company, a nationally known Chicago manufacturer, and International Harvester Company, long an important manufacturer of highway transportation equipment. Harvester has found it impractical to continue assembling its heavy-duty specialized types of trucks at its Fort Wayne, Ind. plant. As a result, this activity will be transferred to Diamond T plants here.

Harvester will supply Diamond T with such components as gasoline engines, transmissions and some axles.

PULLMAN-STANDARD
 contributes to commerce in
 Chicago, World's Railroad Center,
 and everywhere on the



The goods and people who must . . . and do . . . move from place to place are an important part of commerce. And the North American railroads, the Great American Railway System, play the vital-to-commerce role of making such movement possible.

Pullman-Standard, foremost builder of freight and passenger cars, manufacturers the rolling stock that helps railroads provide the best possible transportation at the most economical cost per passenger or ton mile, everywhere on the Great American Railway System.

WORLD'S LARGEST BUILDER OF FREIGHT AND PASSENGER CARS

PULLMAN-STANDARD

CAR MANUFACTURING COMPANY

SUBSIDIARY OF PULLMAN INCORPORATED

79 EAST ADAMS STREET, CHICAGO 3, ILLINOIS
 BIRMINGHAM, PITTSBURGH, NEW YORK, SAN FRANCISCO, WASHINGTON

53 28 YEARS IN CHICAGO*

supplying the "tools of
business" to business firms
throughout the world

In 1901, E. Y. HORDER opened his first stationery and office supply store at No. 149 Washington Street, investing his available capital of \$250.00 in the first month's rent and in fixtures and stock. He employed one assistant.

As a result of prompt, intelligent service and fair dealing through the years, Horder's has grown until today it is the country's leading distributor of commercial stationery, office supplies, office furniture.

Horder's Stores are scattered throughout the Loop, a fine 7-story warehouse and general office building has been erected at Jefferson and Jackson Blvd., a staff of 350 trained men and women is employed, while the business operations of Horder's, Inc. extend over 42 states and into a number of foreign countries.

More than 20,000 items of stationery are carried by Horder's. All are fairly priced. These include the leading manufacturers' brands of stationery, office supplies and office furniture, as well as many items manufactured by or for Horder's. Where highly specialized business requires the services of an organization such as Horder's, the latter's long experience is invaluable in the selection of proper office layouts, accounting and control systems, etc. Free consultation on any office equipment problem is available through our Customer Advisory Department.

George E. Cole & Company Legal Blanks

Horder's is the sole publisher of Geo. E. Cole & Company Legal Blanks. Also official publishers of Chicago Real Estate Board Forms.

*This ad is almost a verbatim quote from one we ran 25 years ago in the Silver Anniversary issue of Chicago Commerce.

HORDER'S, Inc.

Office Supplies

STORES ALL OVER THE LOOP

Main Office, Jackson at Jefferson, Chicago 6 —
Also Mail Order Address, Warehouse.

Main Display of Office Furniture and Systems

- MERCHANDISE MART
- DEARBORN NEAR JACKSON
- ADAMS NEAR MICHIGAN
- OHIO NEAR MICHIGAN
- WASHINGTON AT CLARK
- ADAMS NEAR CLARK
- JACKSON AT JEFFERSON
- WABASH AT LAKE

ALL TELEPHONES **FRANKLIN 2-6760**



assemblies, together with service parts for these components. The agreement seems logical enough, since Harvester has been supplying Diamond T with cab assemblies.

Another nationally-known name in the automotive industry, Borg-Warner Corporation, is an important factor in Chicago area production of truck transportation equipment. B-W's Borg & Beck Division plant on the far south side is a large supplier of clutches for truck manufacturers. The plant of Borg-Warner's Ingersoll Products division in South Chicago makes tapered discs for truck wheels, and the company's Calumet Steel division in Chicago Heights produces high-carbon structural tubing for transport trucks and other products for the railroad and trucking industries.

Ford Motor Company is also a substantial contributor to area output of transportation equipment. On the southern fringe of Chicago a big Ford assembly plant serves a large segment of the Midwest. A parts depot in Melrose Park performs a similar distribution service. Ford facilities here also include a plant which turns out jet engines for the Air Force.

Two-Way Radios

Radio dispatched taxicabs are no longer a novelty, but radio dispatching of trucks is still in its infancy. Manufacturers who supplement the use of railroad freight service with their own trucking equipment, and shippers who use public highway carriers for transportation of merchandise, are just beginning to explore two-way radio communication as a means of increasing efficiency and cutting costs. Motorola, Inc., Chicago, has become the largest manufacturer of two-way mobile radio communications systems in the United States.

Another Motorola contribution to transportation is a relatively new tone-coded selective signalling system for aircraft. This equipment, already approved by the Civil Aeronautics Authority, permits ground-to-air radio transmission to pre-selected aircraft and in practice relieves the pilot or radio operator of the responsibility of maintaining a continuous listening watch on the plane's radio channels.

Admiral Corporation, another major Chicago area manufacturer in the electronics field, recently received permission to remove its secrecy wraps from a radio receiver-transmitter which permits bombs and fighter planes to be tuned to 1,750 VH (very high) and UH (ultra high) frequencies. An entirely different set of channels can be used each day for automatic tuning, and when used in conjunction with other equipment, the newest Admiral unit becomes an automatic direction finder. Although it is being marketed only as military equipment now, it may ultimately become an adjunct of commercial aviation.

There have been times in the past when the old gag line, "chicken today and feathers tomorrow" prettily well described the ups and downs of the transportation equipment industry. The feast or famine aspect of the picture was particularly true of railroad equipment makers.

The future of the rail equipment industry, however, is obviously not as bleak as some observers have painted it. A substantial deficit of freight cars still exists and the number of over-age cars has been mounting steadily for several years. Not only is age the only factor; much of the old rolling stock is no longer suitable for modern cargoes. Obsolescence works in the car builder's favor, for example, in such items as refrigerator cars. By far the greater majority of railroad cars are still in good condition. This fact, builders believe, leaves a large market for mechanically refrigerated stock.

It is likely that future demand for many equipment items will continue to fluctuate with business conditions in general and the earnings of transportation companies in particular; but the swings probably will not be as wide as they once were. With relatively few exceptions, the major suppliers of transportation equipment have diversified to such an extent that they are no longer completely dependent upon the traditional customers. In many instances, heavy machinery can be justified at relatively low cost to produce other products if they happen to be in better demand at the moment. Actually, what it boils down to is a much larger measure of flexibility—a healthy factor from the standpoint of total area production and employment.

1954

97 YEARS OF PROGRESS WITH CHICAGO

closely knit in the CHICAGO STORY
...is the story of J&L STEEL



Today, J&L Steel serves Chicago industry from this modern warehouse on West 47th Street, and from the J&L District Sales Office in the Field Building.

As Chicago and its industry have expanded through the years, J&L has enlarged

its services to provide increasing amounts of steels and steel products to the growing community.

J&L is proud that, for almost all of its 101-year history, it has played a vital role in THE CHICAGO STORY.



Jones & Laughlin

STEEL CORPORATION — *Pittsburgh*

Warehouse Division—2250 West 47th Street

District Sales Office—Field Building

Charter Year Members of the Chicago Association of Commerce and Industry

All of the following firms participated as charter members in the formation of the Chicago Association of Commerce and Industry. While in some instances, due to mergers and other changes, the names of these companies as now shown, may differ from those originally borne, these establishments which banded together to promote Chicago's trade and industry and advance its civic interests still retain an active participation in the Association's affairs today.

- | | | | |
|--|---|--|---|
| Aermotor Co. | Booth Fisheries Corp. | Chicago, Indianapolis & Louisville Railway Co. | Continental Illinois National Bank & Trust Co. of Chicago |
| Benjamin Allen & Co. | The Borden Company | Chicago Mill & Lumber Co. | Continental Illinois Safe Deposit Co. |
| American Bank Note Co. | Bradner-Smith & Co. | Chicago, Milwaukee, St. Paul & Pacific R. R. Co. | Crane Co. |
| American Bridge Div. United States Steel Corp. | Brink's, Inc. | Chicago & North Western Ry. Co. | Creamery Package Mfg. Company |
| American Can Company | Brookes & Sons Company | Chicago Paper Co. | Crerar, Adams & Co. |
| American Colortype Co. | Brunswick-Balke-Collender Company | Chicago Portrait Co. | Crerar, Clinch Coal Co. |
| American Express Co. | The Buda Company Div. Allis Chalmers Mfg. Co. | Chicago Railway Equipment Co. | Cribben & Sexton Co. |
| American Radiator & Standard Sanitary Corp. | Burnham & Hammond, Inc. | Chicago, Rock Island & Pacific Ry. Co. | Critchell-Miller Insurance Agency |
| American Steel & Wire Div. U. S. Steel Corp. | Butler Brothers | Chicago Screw Co. | Cuneo Press, Inc. |
| Anaconda Wire & Cable Company | J. W. Butler Paper Co. | Chicago Tribune | Curtis Lighting, Inc. |
| Armour and Co. | H. M. Byllesby & Co. | Chicago Tunnel Co. | Dearborn Chemical Co. |
| Associated Agencies, Inc. | Callaghan & Co. | Chicago Tunnel Terminal Company | Defrees, Fiske, O'Brien & Thomson |
| Atchison, Topeka and Santa Fe Ry. System | Capper & Capper | City National Bank & Trust Co. | Dennison Mfg. Co. |
| Atlantic Hotel | Geo. B. Carpenter & Co. | James B. Clow & Sons | A. B. Dick Co. |
| Baltimore & Ohio Chicago Terminal R. R. Co. | Carson, Pirie, Scott & Co. | Cluett, Peabody & Co. Inc. | The Albert Dickinson Co. |
| Barrett Bindery Co. | A. M. Castle & Co. | Almer Coe & Co. | Arthur Dixon Transfer Co. |
| Barrett Varnish Co. | Celanese Corporation of America | John A. Colby & Sons | R. R. Donnelley & Sons Co. |
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| Belden Mfg. Co. | Chicago American | W. B. Conkey Co. Div. of Rand McNally Co. | Dun & Bradstreet, Inc. |
| Belding-Hemingway-Corticelli Co. | Chicago Belting Co. | Conkling, Price & Webb | E. I. DuPont de Nemours & Co. Inc. |
| E. A. Bentley | Chicago Bridge & Iron | Consolidated Foods Corp. | Dwight Brothers Paper Co. |
| Bismarck Hotel Co. | Chicago, Burlington & Quincy R. R. Co. | | Elgin, Joliet & Eastern Ry. Company |
| Bliss & Laughlin, Inc. | Chicago Cartage Co. | | |
| | Chicago Daily News, Inc. | | |
| | Chicago Great Western Ry. Co. | | |

904

1954

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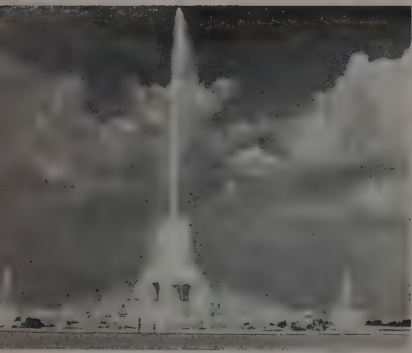
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Jefferson Electric Co.
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Robert O. Law Co.
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Lee Higginson Corp.
Lehigh Portland Cement
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Libby, McNeill & Libby
Lillienfeld Brothers & Co.
Link Belt Co.
The Liquid Carbonic Corp.
Live Stock National Bank
of Chicago
The Lord & Bushnell
Lumber Co.
Lussy, White & Coolidge,
Inc.
Lyon & Healy, Inc.
Lytton's
MacLeish, Spray, Price &
Underwood
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Hubbard
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Thos. Moulding Brick Co.
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North Pier Terminal Co.
Northern Trust Co.
John Nuveen & Co.
O'Connor & Goldberg
C. D. Osborn & Co.
Palmer House
Parke, Davis & Co.
The Parmelee
Transportation Co.
Peabody Coal Co.
C. D. Peacock, Inc.
Pennsylvania Railroad
Pere Marquette R. R.
Pettibone Mulliken Corp.
Albert Pick Co., Inc.
Pioneer Cooperage Co.
Pittsburgh Plate Glass Co.
Ed. V. Price & Co.
Proctor & Gamble Mfg. Co.
Railway Express Agency,
Inc.
Rand McNally & Co.
Rathborne, Hair & Ridgway
Company
Remington Rand Inc.
Republic Steel Corp.
Robinson Furnace Co.
John A. Roebling's Sons Co.
Rosenbaum Brothers
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Rubens & Marble, Inc.
Toby Rubovits Inc.

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Scott, Foresman & Co.
Scovill Mfg. Co.
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Spaulding & Co.
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A. Stein & Co.
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Vaughan's Seed Store
J. H. Van Vlissingen & Co.
Western Electric Co., Inc.
Western Newspaper Union
Westinghouse Electric Corp.
Westinghouse Electric
Supply Inc.
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Whiting Corp.
Wilder & Co.
Wilson Bros.
Wilson & Company
Workman Manufacturing
Company
Youngstown Sheet & Tube
Company



Millions attended 1933-34 World's Fair



Buckingham Fountain graces the lakefront



Jackson Park beach around 1900



The old Palmer House was world famous

Chicago Portrait

(Continued from page 21)

the left bank of the river. The movie house of the day was officially the Five and Ten Cent Theatre, but popularly the "nickel show." The overhead, steam-driven shaft propelled the wheels of Chicago's growing factories. Over a dozen automobile dealers appeared on Michigan Avenue. The 21-story Masonic Temple at the northeast corner of Randolph and State streets was the tallest building in the world and a marvel of the time. It had a rotunda with a skylight 300 feet above the floor, hot and cold running water in every room, 14 passenger elevators and wonder of marvels, a chute down which letters could be dropped from every one of the 16 lower stories!

Of such miscellany was Chicago at the beginning of the century, a mixture of the old with portents of the new that was to change the canvas of the city completely.

Present day Chicago might be called the fifth Chicago, with the sixth in the making. First was the town of the pioneer; second, the city of paved streets, brick and stone buildings, and trees; third, the city built after the great fire of 1871 and the fire of 1874; fourth, the new and more noble city which evolved during the last two decades of the 19th century, a golden age in building culminating in the World's Columbian Exposition of 1893; and fifth, the city of the magnificent skyline and lake front, inspired by a vision of a more beautiful Chicago that found expression in the "Chicago Plan" brought forth by public spirited citizens some 40 years ago.

Chicago is the birthplace of the skyscraper as it is of modern skeleton construction, a term applied to all buildings in which all external and internal loads are transmitted to the foundation by a framework of metal or reinforced concrete, either separately or in combination.

The first skyscraper in Chicago was the 10-story Montauk Block, in 1882. The first building to embody skeleton construction was the Home Insurance Building erected in 1883, and it was noteworthy also for the substitution, for the first time, of Bessemer steel rolled beams for wrought iron beams. The Masonic

Temple came nine years later and with it the full force of the age of the skyscraper. By 1910, Chicago's famed Michigan avenue skyline was taking on its present contours: the 22-story Blackstone Hotel, the Fairbanks-Morse building, the Standard Oil, the Peoples Gas Light & Coke and other buildings south of the Chicago River.

The Wrigley Building and the Tribune Tower were not to rise until after 1920 when the Michigan avenue bridge supplanted the Rush street bridge.

The new double-deck bridge, with six traffic lanes on the upper level and four below, signalled a building boom that within ten years transformed the area once known as Streeterville.

New Traffic Arteries

In 1925 Wacker Drive was completed. The old South Water Market, which had occupied Chicago's first commercial street, had been removed. New traffic arteries, speeding the flow of the growing number of automobiles in and around the Loop, were part of a comprehensive plan for the development of Chicago and its environs which had injected new meaning into city planning. Father of the Chicago Plan was Architect Daniel Hudson Burnham; its promotor, Charles H. Wacker; and its instrument, the Chicago Plan Commission, created in 1909 with Wacker as permanent chairman. Prior to that time, Chicago had no overall plan. Houses were built and streets opened piecemeal as the population of the city swelled. Fortunately, the plan of the park system had been laid out early in the 1860's and the seed forest preserves planted, so that huge wooded areas were saved from encroachment for the enjoyment and recreation of future generations.

Fifty years ago the shore line of Lake Michigan could be traced in the sky by the black ribbons of smoke swirling from the engines of Illinois Central Railroad suburban trains rolling along the tracks between Chicago and Hyde Park. The

(Continued on page 359)

The Association's Leadership 1954

Organizations, like individuals, are frequently judged by the company they keep. The Chicago Association of Commerce and Industry continues, in 1954, to be singularly fortunate in the quality of its leadership. Here are the men who guide the affairs of the CACI. Each is a recognized leader in his chosen field of endeavor. Through the Association, all give unselfishly of their time and talents for the benefit of the Chicago Metropolitan Area.



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Trust Co. of Chicago

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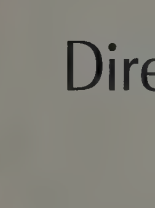
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Chairman
Material Service
Corp.



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Container Corp.
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D. FARRINGTON
President, Chicago,
Rock Island &
Pacific Railroad Co.



A. M. FISHER
Mid-Amer. Regional
Mgr., Westinghouse
Electric Corporation

Directors

Directors

(Continued)



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Amer. Nat'l Bank &
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(Ind.)



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Union Stock Yards
& Transit Company



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Vice President
The First National
Bank of Chicago



CARL J. SHARP
Chairman
Acme Steel Company



FOREST D. SIEFKIN
Vice President
International
Harvester Co.



BOYD J. SIMMONS
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Illinois Nat'l Bank
Trust Co. of Chicago



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The Northern
Trust Co.



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& Chemical Corp.



WALTER A. WEAVER
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Cement Mfg. Co.



EDWARD K. WELLES
President
Besly-Welles
Corporation



ARTHUR H. WELLS
President
John Griffiths and
Son Construction Co.



L. H. WHITING
President, American
Furniture Mart Bldg.
Company, Inc.



ARTHUR C. WILBY
United States Steel
Corp.



R. A. WILLIAMS
President
Standard Railway
Equipment Co.



HARRY L. WYLIE
Asst. Secretary-
Treasurer
The Pure Oil Co.

ops in entertainment

Chicago's Showmanship Stations



Staff Assignments

The Association's staff consists of approximately 100 persons. The department heads and committee secretaries and their responsibilities follow:

P. W. KUNNING, Manager



*Domestic Commerce
Dept.*

The department promotes (a) the Chicago market as the great central source of supply of goods and services; promotes (b) Chicago as a business location; (c) promotes the business of Association members by furnishing names to 800-1,000 monthly inquiries for Chicago goods and services; (d) through the Visitor's Bureau issues numerous pamphlets to promote Chicago as a year-around vacation center; (e) engages in market research; (f) provides a wide variety of direct services to members.

V. D. SEAMAN, Manager



*World Trade
Department*

Because Chicago is a potent factor in world markets, the world trade department is called upon to perform many specific services for members engaged in world trade. These include translation of letters written in foreign languages, certification of export and import documents, interpretation of regulations covering international shipments and assistance in procurement of foreign trade personnel. The department arranges the annual Chicago World Trade Conference in cooperation with the Export Manager Club, issues a Chicago Import Directory and a Directory of Foreign Consulates in addition to a number of regular and periodical bulletins.

A. H. SCHWIETERT, Traffic Dir.



*Transportation
Department*

The department is continuously active in hearings before the Illinois and Interstate Commerce Commissions, carrier organizations and congressional committees to improve service, to preserve equitable rate relationships and to oppose changes which would discriminate against Chicago area shippers. It is a strong proponent of private ownership and operation of transportation facilities; fair competitive opportunities for all carriers and minimum regulation. It also issues many bulletins—among them "Way to Ship" data—to keep members informed on transportation matters and handles thousands of inquiries from the membership each year.

GEORGE MITTEN, Manager



*Industrial
Department*

The department works to attract new industries to the Chicago Metropolitan Area and to encourage the expansion of existing facilities. The Association's Industrial Development Committee is the federal government's industrial dispersion organization in the Chicago area to aid industries in locating acceptable sites under federal rules of dispersion. Maintains a statistical division for use in development activity and by members. Through its Aviation Committee the department plays an active role in the development of Chicago airports and in many other phases of the aviation industry.

J. A. JACOBS, Manager



*Civic Affairs
Department*

The department performs a wide variety of services important to Chicago, to business, and to all individual citizens as well. Its studies and publications provide factual information to Association members in an effort to increase the efficiency of large-scale giving and aid in directing contributions into useful channels. The activities of this department also extend into the fields of industrial relations, education, social and welfare work, race relations, and other projects of civic importance.

FREDERICK MOFFATT, Supr.



*Membership
Relations*

The department works to build and maintain active membership in the Association; integrates new members into its activities; issues monthly economic surveys and reports; arranges Executive Forums, and provides other services designed to keep members abreast of current business problems.

PRESTON E. PEDEN, Manager



*Legislative
Department*

Represents a large segment of Chicago business at sessions of the State Legislature and keeps the informed of such activities. The department works at local, state and national levels for equitable systems that will avoid excessive taxation, provide adequate funds for the essential functions of government. It also maintains an active relationship with government agencies on public improvements, street traffic, parking and other similar matters of significance.

ALAN STURDY, Publications Dir.



Edits COMMERCIAL MAGAZINE which has been published since 1904 as a part of the Association's service to members.

It provides information on Chicago business and interpretive articles useful to executives in the management of their businesses. The department is also responsible for the preparation of BUYER'S GUIDE AND INDUSTRIAL DIRECTORY OF CHICAGO, a reference source for buyers seeking Chicago sources of goods and services. Forty thousand copies of the Guide are distributed on a national basis each year. One phase of the Association's continuing program to promote trade for Chicago.

H. HAYWARD HIRSCH, Mgr.



*Community
Improvement
Departments*

Responsible for coordinating and directing an overall program of city-wide activities aimed at making Chicago cleaner, safer, and more attractive city in which to work and live. Included in the comprehensive program are the activities of Urban Renewal, Clean-Up, Air Pollution Control, Fire Prevention, Improved Traffic and Parking Control, Noise Abatement, Civil Defense and Public Improvement and maintaining liaison between the business community and appropriate federal, state and city government agencies concerned with these activities.



Dean Drewry



W. E. Cavell



Harold Kurzin



Glenn Radloff



D. V. Sholes

Dean Drewry, Controller and Office Manager; Secretary of Board of Directors, Revenue, Committee Personnel and Accounting, Audit and Budgetary Control committees. W. E. Cavell, Membership Records Division Manager; Harold Kurzin, Accounting Department Manager; Glenn Radloff, Purchaser and Illinois Committee Secretary; D. V. Sholes, Business Statistics Committee Secretary.



A. C. Phelps



F. M. Nickla



Warren A. Logelin

A. C. Phelps, Secretary of Cartage Theft and Harbors and Waterways committees; F. M. Nickla, Secretary of Postal Service and Public Affairs Reception committees; Warren A. Logelin, Director of Public Relations and Secretary of Public Relations and Urban Renewal committees.



Robert Hudoba



L. A. Dumond



Ethel Foster



Paul Querl



R. D. Lee

Robert Hudoba, Glee Club Secretary; L. A. Dumond, Retiring Legislative Department Manager; Ethel Foster, Retired Manager Community Service Department; Paul Querl, Retired Manager Industrial Department; R. D. Lee, Retired Manager Membership Records Division, and secretary Committee Personnel, Coordinating Junior Association, Divisional and Membership Records committees.

Presidents of the Chicago Association of Commerce and Industry

Throughout the fifty years of its existence, the Association has chosen its presidents from among Chicago's most distinguished business and civic leaders. The prominent Chicagoans who have occupied this honored place in the city's business community are:

- | | | |
|---|--|--|
| *1. John G. Shedd, Pres. 1905
Marshall Field & Co. | 13. Harry H. Merrick, V.P. 1919
Central Trust Co. of Ill. | 23. George W. Young, V.P. 1934-35
Marshall Field & Co. |
| *2. David R. Forgan, Pres. 1906-07
Nat'l City Bk. of Chi. | *14. Wyllys W. Baird, Partner 1920
Baird & Warner | *24. C. L. Rice, V.P. 1936-37
Western Electric Co. |
| *3. Richard C. Hall, V.P. 1908
United States Rubber Co. | *15. Joseph R. Noel, Pres. 1921
Noel State Bank | 25. Oscar G. Mayer, Pres. 1938-40
Oscar Mayer & Co., Inc. |
| *4. Edward M. Skinner, Pres. 1909
Wilson Bros. | *16. Edward E. Gore, Partner 1922
Barrow, Wade, Guthrie & Co. | 26. A. H. Mellinger, Pres. 1941-42
Ill. Bell Telephone Co. |
| *5. Homer A. Stillwell, Pres. 1910
Butler Bros. | 17. Judson F. Stone 1923
McCormick Estates | 27. Holman D. Pettibone, Pres. 1943-44
Chicago Title & Trust Co. |
| 6. Harry A. Wheeler, Pres. 1911
Union Trust Co. | *18. William R. Dawes, V.P. 1924-28
Central Trust Co. of Ill. | 28. Thomas B. Freeman, Pres. 1945-46
Butler Bros. |
| *7. E. U. Kimbark, Pres. 1912
Paper Mills Co. | *19. Frank R. Winans, V.P. 1929 (to Sept. 30)
National City Co. | 29. Wilfred Sykes, Pres. 1947-48
Inland Steel |
| *8. Howard Elting, Pres. 1913
Adams & Elting Co. | 20. Charles Ward Seabury, Partner 1929 (from Oct. 1)
Marsh & McLennan | 30. Harvey G. Ellerd, V. P. 1949-50
Armour & Co. |
| *9. Joseph H. Defrees, Ptnr. 1914
Defrees, Buckingham & Eaton | *21. Robert Isham Randolph, Partner 1930-31
Randolph-Perkins | 31. Guy E. Reed, V.P. 1951-52
Harris Trust & Savings Bk. |
| *10. Charles L. Dering, Pres. 1915
S. C. Schenck Co. | 22. George W. Rosetter, Partner 1932-33
George W. Rosetter Co. | 32. Arthur T. Leonard, Pres. 1953-54
City Nat'l Bk. & Trust Co. of Chi. |
| *11. John W. O'Leary, Pres. 1916-17
Arthur J. O'Leary & Sons Co. | | |
| *12. Lucius Teter, Pres. 1918
Chi. Bk. & Trust Co. | | |

* Deceased



Some of the magazines printed by R. R. Donnelley and Sons

Chicago Has 2,000 Printing Establishments, Ranging From Small Shops To Th

EVEN the best informed people in the printing industry are not certain whether Chicago or New York is the largest in this particular field, but it is generally believed in terms of the quantity of printing produced, Chicago is first.

The difficulty in making an exact appraisal is apparent from the fact that there are some 2,000 printing establishments in Chicago, ranging from very small shops to the largest in the country—R. R. Donnelley and Sons Company, Cuneo Press, Inc., and W. F. Hall Printing Company. Rand McNally & Company, American Colortype and Manz Corporation, also located in Chicago, are immense printing concerns. The 2,000 companies employ 83,000 persons to turn out products worth \$1.1 billion annually.

Chicago's leadership in printing is qualitative as well as quantitative. Some of the finest examples of the printing art are produced here, and many of the fabulous advances in printing have either originated or have been improved in this city.

The mail order houses concentrated in Chicago have contributed immeasurably to the advance in the printing art because of their catalogs. Both the Montgomery Ward and the Sears catalogs are produced in totals running to many millions of copies and with the extensive use of color. Last year, for example, more than 50 million copies of Sears catalogs were printed. R. R. Donnelley, one of the major producers of that catalog, also prints 3,700,000 alphabetical, classified and suburban telephone books a year for Chicago, in addition to supplying such directories to many other cities throughout the country.

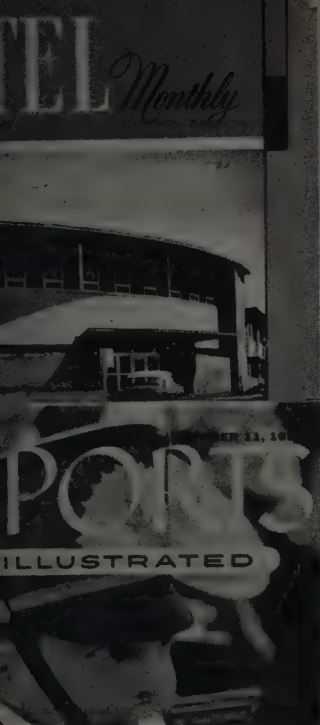
Acceleration Plus

The extent of the acceleration in printing processes has been one of the remarkable achievements of the industry. Charles Oliff, vice president and treasurer of W. F. Hall, recalls that "All of us felt that we had accomplished a miracle when we printed the Montgomery Ward

catalog at the unprecedented rate of 500 a day. Now we turn out the many in eight minutes."

The most widely circulated magazines, such as Life with its 5.5 million and Look with 3.7 million, print a large part of their copies in Chicago. Ebony and Jet, popular magazines for Negroes, are published here, as is Popular Mechanics, pioneer in the do-it-yourself field, and many others, including a major portion of the 2,000-odd trade magazines published in the United States. W. F. Hall is generally regarded as the nation's large printer of paper backed books.

Chicago's geographical position has made it especially desirable for the printing of magazines. A circ centered on Chicago and embracing the states of Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, South Dakota, Nebraska, and Kansas, will enclose major percentage of U. S. periodic readers: 27 per cent of Time Magazine's circulation, more than 50 per cent of the Farm Journal's, 27 per



ation's Largest

nt of Fortune's, 28 per cent of Quire's, and 28 per cent of Corot's, to mention only a few.

In many cases this area represents publications' largest reader concentration, in others, the second-largest. But Chicago has become a major distribution center for magazines in the latter class, too, because of its proximity to both east and west coasts, the other two major circulation areas in the country. This proximity is partly geographic, partly a matter of unexcelled transportation facilities. As a result, post-office officials in Chicago handle more magazines than their brethren anywhere else in the country.

Mapmaking in Skokie

Suburban Skokie is the home of Rand McNally & Company, best known as the world's biggest mapmaker, although most of its income comes from the production of books, and railroad, bus and airplane tickets.

The Chicago metropolitan area

is also generally considered the center of the encyclopedia publishing industry. Britannica, Compton's Pictured Encyclopedia, World Book, Americana, American Peoples and the American Educator, all originate here. In text books, there are Row Peterson and Company and Scott-Foresman Company, both of which publish famous grade school readers; Laidlow Bros., Lyon and Carnahan, The Follett Publishing Company and others well known to educators.

Affected Routes

Rand McNally began making maps in the '70's. Many were purchased by the railroads interested in spreading the splendors of the west before the eyes of newly-landed immigrants.

The invention of the automobile increased the demand for maps tremendously, but this new source of business was not without its problems. Roads and route markings at the beginning of the present century were primitive, to put it politely. The roads were often little better than cow paths, and route markings were virtually non-existent.

But in June, 1908, Andrew McNally II, son of one of the company's founders, was married. For their honeymoon, he and his bride motored from Chicago to Milwaukee, taking pictures of important intersections along the way. Later, a white arrow was painted on each photo, showing where the turns had

to be made, and the collection was made into a road guide for the motorist.

This and other picture books were the first road maps. Rand McNally's volume covering the trip from Chicago to New York ran to 200 pages and sold for \$5. About 1910, some unknown genius thought of designating roads by name and symbol. Pretty soon, business firms in many parts of the country were sending traveling crews of signpainters out to tack up road signs on trees and telegraph poles along nearby highways.

Rand McNally played a major role in the evolution of the modern route numbering system (as consultant to state and federal agencies during the '20's), and now turns out about 50 million maps a year in addition to innumerable globes, atlases, and wall maps. Since the 1870's, the company has produced more than four billion maps.

In spite of this impressive volume, RM's map business is only a small slice of its total production. The company is one of the nation's largest printers of railroad, bus and airplane tickets, and it publishes or prints encyclopedias, hymnals, children's hard-cover books, text books, and an impressive list of non-fiction titles.

Encyclopaedia Britannica, which one writer has called "the world's greatest know-it-all," is also the world's oldest fact book still being published. The first edition, dated

Preparing litho plate at Rand McNally.



35 Years of Experience...

**Making Major Electric Installations
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on a Rental Basis for Trade Shows,
Conventions and Company Exhibits**

**Electric contractor for the construction of Rosary
College and Soldier Field.**

J. F. Fisher & Company has wired many of Chicago's large buildings and construction projects. They have had complete charge of the electric installations at the Road Builder Show, AFL Convention, Chicago Ford Show, Machine Tool Builders' Show and made many of the installations at the Railroad Fair.

Call Fisher to handle the electric end of your next convention, trade show or company exhibit from start to finish. All equipment, including lights, movies, sound projectors and tape recorders, complete with installation, maintenance and operators, when necessary, will be furnished on a rental basis with a firm bid before the work is done. You do away with union problems and worrisome details. For any temporary electric or lighting problem call Fisher and save money.



Robert E. Ryan
Secretary and General Manager

J. F. FISHER & COMPANY, INC.

421 North State Street

SUPERIOR 7-7999

Chicago 10

3 GREAT ERAS



CHICAGO ASSOCIATION OF COMMERCE AND INDUSTRY
1904-1954



LIGHT'S DIAMOND JUBILEE
1879-1954



WESTINGHOUSE SERVING THE CHICAGO AREA
1886-1954

YOU CAN BE SURE...
IF IT'S
Westinghouse

Merchandise Mart • Chicago

1768, was put out in Edinburgh Scotland.

Britannica came to Chicago in 1927 when Sears, Roebuck & Company underwrote much of the cost of the 14th edition, a tab that totaled almost \$2.5 million. This edition, containing 38 million words represented the efforts of 3,500 contributors. In the early 1940's Sears gave the publication to the University of Chicago.

During the past 50 years, a quiet revolution has taken place between the covers of the American school book. One of the leaders in that revolution is Row Peterson and Company, Evanston, which, during the 1920's, broke an unwritten law of the textbook business—the rule that American history had to be published in two versions, one for the north and one for the south. When the company published the first combined American history book, it aroused passions on both sides of the Mason-Dixon line. But educators soon began to realize the value of the innovation, and the book has been accepted ever since.

Textbook Pioneering

Between 1936 and 1950, Row Peterson introduced its famous "Alice and Jerry" readers, the first text books to be published in full color offset; developed the first Textfilms (visual aid material to supplement readers); published a series of arithmetic books based on a new method of teaching the number system; revived the ancient rebus (pictures replacing some words) to facilitate the teaching of reading; introduced the first textbook on American government published in regional editions; published the first "Unitexts" (84 individual chapter-size science texts); and launched a group of booklets entitled "My Own Book," which pupils may take home (they can't take their readers home in many schools).

The history of Scott, Foresman & Company is also a story of pioneering. The first volume published after the company incorporated in 1896 was a Latin text with innovations designed to help students hear Caesar in the second year.

In 1909 the company entered the field of school readers, publishing the first hard-cover reading series containing complete versions of the

The Butler Paper Story

110 Years of Chicago History

The credit for having manufactured the first paper on a commercial scale in the State of Illinois belongs to the Butler family, who also established the first "Paper House" in Chicago.

THE BUTLER COMPANY HAS BRANCH PAPER WAREHOUSES IN 35 AMERICAN CITIES—ALSO EXPORT DISTRIBUTION IN CUBA, MEXICO, CENTRAL AND SOUTH AMERICA.

The first of the Butler family came from Yorkshire, England, to Massachusetts about 1630. Two brothers Julius Ward Butler and Oliver Morris Butler came to Illinois about 1840. Their father Zebediah Butler was a Paper Maker in Vermont.

BUTLER PAPER FIRST IN CHICAGO

The Butlers built the first Paper Mill in the Northwest at St. Charles, Illinois, just West of Chicago, and the J. W. Butler Paper Company was formed in 1844 to sell the paper output of this mill.

The J. W. Butler Paper Company's first stable and warehouse was located at 42 and 44 State Street. In 1869 they moved to larger quarters on Wabash Avenue occupying Nos. 114 and 116 in the then prominent Drake Block. In 1870 they moved to Monroe Street on the site of the present Harris Trust and Savings Bank.

THE GREAT CHICAGO FIRE OF 1871 demolished this building. Following this, Oliver Morris Butler withdrew from the business, and erected a Strawboard Mill at Lockport, Illinois.

The merchandising business, operated solely by Julius Ward Butler enjoyed steady growth, extending operations into many important Western cities. The Home Office continued on Monroe Street, at the present address of the Executive Offices of Butler Company.

FIVE GENERATIONS

When Julius Ward Butler retired in the 1890's, administration of the J. W. Butler Paper Company was assumed by his two sons, Frank O. Butler and J. Fred Butler. Their direction continued until the early 1920's and were succeeded by Paul Butler, the eldest son of the former. With the two sons of Paul Butler, Michael and Norman, now active in the business, it insures five succeeding generations of the Butler family in the Paper Industry of the United States.

Under the Company's present leadership of Paul Butler, it has expanded to vast proportions in both Domestic and Export Paper Distribution and is now a veritable PAPER EMPIRE.

PAPER KNOWLEDGE

The Butler Paper Testing and Research Laboratory located in the Executive Offices in Chicago is outstanding in its counsel and service to American Industry.

OLD IN YEARS—YOUNG IN IDEAS

Butler Company, of which Paul Butler is President, controls the Butler interests in Paper Merchandising; Butler Aviation Division; Ranches and Real Estate. The Butler property, Oakbrook, at Hinsdale, Illinois, comprises 2500 acres of farm land on which there are home communities, a school, Riding and Hunt clubs, Game Bird Club, two excellent golf clubs and a Polo Club with several fields where International Polo Matches are held.

110 YEARS OF PROGRESS

The Butler Paper Story is a success story of Chicago embracing the city's business, and cultural developments from the time John Tyler was President of the United States to the Present day.



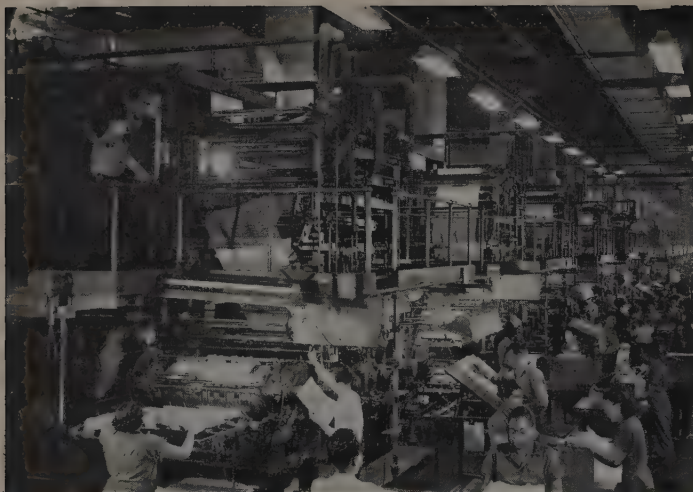
SINCE



1844

BUTLER COMPANY
BUTLER PAPER CORPORATIONS • BUTLER AVIATION DIVISION
J. W. BUTLER PAPER COMPANY

Executive Offices • 223-231 West Monroe St., Chicago 6, Illinois



Line of modern multicolor magazine presses at R. R. Donnelley & Sons Co.

classics. The new books were the work of William H. Elson, superintendent of schools in Cleveland and a large percentage of today's adults learned to read from the Elson books.

In 1930, Dr. William S. Gray of the University of Chicago helped

Elson revise the books. Dr. Gray introduced the idea of vocabulary control—a system of controlling the number of new words introduced per page. Dr. Gray and his associates—on the Scott, Foresman authorship and editorial staff then blueprinted related series of texts

in other curriculum areas—arithmetic, health, science, social studies—also with controls of vocabulary. This whole program, for the eighth grades of the elementary school, now comprises some 86 textbooks and workbooks.

The evolution of the modern textbook is typical of the ferment that has characterized the printing and publishing industry in the past half century and of Chicago's part in the dramatic progress that has been made.

Chicago's first major contribution to color printing was the colortype process. This was the work of Theodore Regensteiner, who emigrated from Munich, Germany, to Chicago when he was 16, began his business career as a bundle-wraper in a Loop dry goods store, had a hand in designing some of Chicago's first skyscrapers, and in 1894 worked out the details of the colortype process in an old photo gallery on Wabash Avenue.

Color printing was an arduous task at the turn of the century. A

(Continued on page 360)

Another Chicago "First"!



From the beginning of time the act of breaking bread together has been man's symbol of friendship.

For 85 years, when Chicago's leading citizens have broken bread with friends, they have relied on Edmanson-Bock's pioneer catering service in the midwest, to provide and serve fine foods. During these years of serving in private homes, reception halls, and industrial plants—throughout Chicagoland and its neighboring states—we have always maintained our unexcelled reputation for food and services. Our equipment, maintained to highest standards, is complete and sufficient to handle any and all types of gatherings—wherever friends come together.

We invite you, manufacturer or individual, to benefit from our long experience when you plan to bring your friends together—in your own home, in a hall, or in your plant.

EDMANSON-BOCK CATERERS, INC.

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Chicago, Ill.

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CHEMICAL INDUSTRY BIG AND VARIED

By Frank C. Byrnes

ASK THE average Chicago-area resident what the major industries are here, and nine times of ten he'll mention meat packers, railroads, steel—anything but chemicals. Yet this region is the nation's second largest producer of chemicals, with sales valued at close to a billion dollars annually.

There is a good reason for this anomaly. Few chemical firms include the word "chemical" in their corporate names, and many chemical producers are associated by custom with other industries. Some produce items the man on the street wouldn't recognize as chemicals. The McGraw-Hill Census of Manufacturing Plants shows that 22 per cent of the plants and 27 per cent of the employees in the nation's chemical industry are located in the

The author is Midwest Editor of Chemical Engineering and Chemical Week.

east north central area of the United States. The largest segment of this regional industry—700 plants and 45,000 employees—is located in Chicago and its environs.

In recent years, this area has accounted for the second largest expansion of chemical plants in the country. During 1953, plans were announced for erecting 334 new industrial facilities valued at \$142

million in the Chicago area, and 33 of these plants, worth \$15.6 million, were for chemical production.

The diversity of the Chicago area's chemical industry can be seen in the products to come out of these new plants, such as sulfuric acid, polystyrene plastics, refrigerant, paint, fertilizer, water treatment compounds, household chemical specialties, and resins. These and



10 per cent of nation's fatty acids come from Armour and Company's fractionating plant at McCook.



International Minerals and Chemical Corporation's modern research laboratories are in Skokie.



Chemical engineers at Armour Research Foundation are studying new approach to paper-pulp manufacture.

Wanzer

Chicago's Oldest and
Finest Milk Company!



1857—Something new comes to Chicago. Sidney Wanzer begins deliveries of fresh, sweet milk from the country to Chicago homes. The first regular daily deliveries of country fresh milk in the city.



Today—Homogenized, Vitamin D milk, pasteurized milk, in sterilized bottles (all Wanzer Chicago firsts). What a difference—but it's the story of Wanzer progress and service that has made the name Wanzer the standard of quality.

Sidney Wanzer & Sons

For 97 Years • Chicago's First and Finest Milk Company
"Wanzer on Milk is like Sterling on Silver"

the other chemicals produced here appear in everything from nylon shirts to insecticides, antibiotics to TV tubes.

The history of the Chicago area's chemical industry starts a century ago with the establishment of the Armstrong Paint & Varnish Co. in 1854, and Hooker Glass & Mfg. Co. in 1855. Allen B. Wisley added a glycerine plant to his soap factory in 1862. Fitzpatrick Bros. started to make Kitchen Klenzer in 1864, followed by N. H. Fairbanks Co. (Gold Dust) in 1870, and Schmidt Soap Products, Inc., in 1875. The meat packers began making soap as a byproduct of meat processing in the 1890's.

Diversity Came Early

By 1904, the pattern of diversity in the Chicago area's chemical industry was well established. August Kochs of Victor Chemical Works was making monocalcium phosphate for use in baking powder; U. S. Gypsum Co. was two years old; Illinois Steel had founded a cement business on a process developed a few years earlier by one of its chemists; and the first of the six plants now operated by Marquette Cement Co. in this area was humming at Oglesby, Ill. Meanwhile, a young pharmacist named William H. Edgar was building his firm, Dearborn Chemical Co., into a nationally-known supplier of water treatment chemicals.

One of the most widely used chemicals in industry today is sulfuric acid. So many different manufacturers and processors use it that sales have become one of the reliable barometers of industry activity. Eighteen plants within a hundred mile radius of Chicago produce sulfuric acid, for a total area output of some million tons a year. Biggest local consumers are the steel and petroleum industries.

Leading producers of sulfuric acid in this region include Grasselli Chemicals Department of E. I. DuPont deNemours and Co., General Chemical Division of Allied Chemical and Dye Corp., American Cyanamid Co., Stauffer Chemical Co. and Blockson Chemical Co. Three of the meat packers—Wilson and Co., Armour and Co. and Swift and Co.—and Standard Oil Co. of Indiana, are also important sulfuric acid produc-

ers. International Processes, Inc. recently acquired exclusive United States rights to a new Italian process for producing sulfuric acid which the firm believes superior to existing methods.


Three of the nation's largest fertilizer manufacturers—Armour, Swift and International Mineral and Chemical Corp.—have their headquarters here. Swift and Armour, in local plants, process into superphosphate for fertilizer the phosphate rock shipped in from their own mines. International Mineral processes its rock elsewhere and ships superphosphate into the Chicago area, as does Darling and Co. South eastern Chemical Co., a newcomer to the Chicago region, plans to build a \$1.6 million nitrophosphate fertilizer plant in suburban Lemont.

Two other companies here produce phosphates other than the superphosphate used in fertilizers. They are Blockson and Victor Chemical Works, both important suppliers to the soap and detergent industries. The effect of the detergent boom on the chemical industry is seen in Blockson's tenfold increase in sales in the past decade. Other phosphate outlets include ink, enamels, insecticides and oil well drilling. Victor, which produces some 150 inorganic and organic phosphates and claims the nation's largest output, sells large quantities to the food, drug, dairy and beverage industries, as well as to the soap and detergent manufacturers.

Hydrochloric acid is produced locally by Wilson's Central Chemical Division, Allied's General Chemical Division, and Grasselli. Among many uses are pickling and etching metals, dehairing and chrome tanning hides; treatment of oils, fats, tallow, and glue, and electroplating.

Marblehead Lime Co., a subsidiary of Material Service Corp., is a major producer of pure lime, used for fluxing steel, recovering ammonium sulfate in coking plants, in the varnish and paper industries, and in water purification. A related substance, dolomite, used by the steel, glass, and chemical industries, is produced in this area both by Marblehead and by The Consumers Co.

Chicago and the surrounding area are major suppliers of two important chemical products for the building



ILLINOIS TOOL WORKS



Headquarters

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PLANTS AT CHICAGO, ELGIN AND DES PLAINES, ILL., AND TORONTO, ONTARIO, CANADA

industry—gypsum and cement, both of which owe part of their present popularity to events that happened here.

In 1893, the World's Columbian Exposition opened on the Chicago Midway. Many of the buildings were built of gypsum plaster. The exposition provided the first major proof that gypsum was a workable construction material. Previously, it had been a kind of Cinderella in the building industry. But in the 1880's, it was found that by adding glue, gypsum's major handicap—the fact that it hardened too quickly—could be overcome.

United States Gypsum Co., probably the world's largest producer, has its headquarters and one of its plants here. National Gypsum, another leading manufacturer, is also located in Chicago. Besides the building industry, gypsum also finds a market in casts for surgical and orthopedic use, stiffening for window blinds, and toothpaste.

In 1889, Jasper Whiting, a chemist for Illinois Steel Co., developed a process for making cement from blast-furnace slag. His process was

patented in 1895, and Illinois Steel established a cement department. Soon after that, a process for making portland cement from slag and limestone was developed, Illinois Steel merged into U. S. Steel, and by 1906, Universal Atlas Cement Co. had built two units of its Buffington plant. Marquette Cement Manufacturing Co., with six plants, is another leading cement producer in this area. Chicago is also the home of The Portland Cement Association, which has erected a \$3 million laboratory in Skokie.

Sole Producer

Fansteel Metallurgical Co., in North Chicago, is the nation's only producer of the metals tantalum and columbium. Process improvements by Fansteel have swelled the first matchstick-sized ingots, produced in 1922, a thousandfold in size. Lindsay Chemical Co., in West Chicago, produces about 85 percent of the nation's rare earth metals. One of the most important of these is thorium, all of which is purchased by the Atomic Energy Commission.

Others are cerium, lanthanum, and praseodymium, used in everything from cigaret lighter flints to textile waterproofing. Crane Co. will soon enter this field. The firm, already producing titanium, is building a 6,000-ton a year rare-earth metals plant in Chattanooga.

Even uranium is a Chicagolan product. Blockson recently built a \$600,000 plant at Joliet for recovering this vital metal from its wet-process phosphate operations, the first facility of its kind.

Chicago's metal fabricating industry demands large quantities of welding gases. Leading manufacturers here include Air Reduction Corp., National Cylinder Gas Co., and Liquid Carbonic Corp. The latter also makes anesthetic gases, and is the world's largest manufacturer of carbon dioxide.

Chicago's tremendous printing industry has drawn over a hundred manufacturers of inks, dyes, and colors here. One of these, the Meyer-cord Co., in collaboration with Armour Research Foundation, recently developed a process using sulphur dichloride which speeds the drying of inks, paints and varnishes. Other important ink manufacturers in this area are Intag Division of Interchemical Corp., five divisions of Sun Chemical Corp., and Kohl and Madden Printing Ink Corp.

About 15 per cent of the nation's paint production comes from 123 Illinois plants, and more than 100 are located in the Chicago Metropolitan area. Chicagoland is usually ranked second in paint manufacture, but some industry officials believe it to be first.

The Roseland plant of Sherwin-Williams, with a workforce of about 2,500, is the largest of its kind in the world. Other major manufacturers here include Armstrong Paint and Varnish Co., Glidden Co., Benjamin Moore and Co., Standard Varnish Works, Enterprise Paint Co., Interchemical Corp., Martin-Senour and DuPont. American-Marietta has its main office in Chicago.

Large quantities of paint are also produced here by Sears Roebuck & Co., Montgomery Ward, and International Harvester. Rust-Oleum, a rust preventive known around the world, is manufactured in Evanston, and special drying oils, fungicides, and other paint ingredients are made

(Continued to page 357)



SKY TRADER SERVICE **for AIR CARGO to ALL EUROPE**

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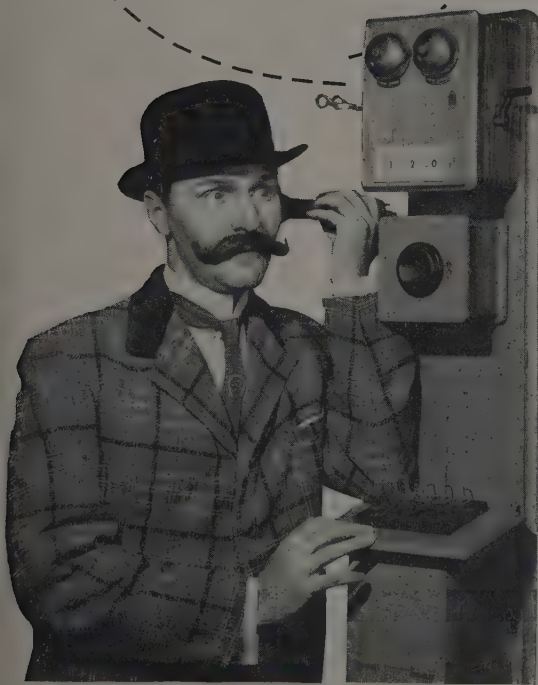


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UTOMATIC ELECTRIC COMPANY... A GREAT NAME IN COMMUNICATIONS

from this
beginning...
**TODAY'S
"AUTOMATIC"
WORLD!**



The "girl-less" telephone was probably the first step toward the "automation" you hear of today. First installed in LaPorte, Indiana, in 1892, the Strowger Automatic Telephone Exchange was the pioneering venture of Automatic Electric Company. Developed through more than 60 years, its principles and mechanisms are now serving businessmen in every field—to their profit!

Today, your long-distance calls go through faster since the operator dials directly into the distant telephone — an idea conceived and actually applied by Automatic Electric engineers more than forty years ago! TOMORROW, telephone users themselves will complete their calls to any part of the country, just as subscribers in suburban Des Plaines and Park Ridge now dial their own calls into Chicago through Strowger Automatic exchanges. These important developments in telephony are only two among many that have brought world-wide honor to Automatic Electric Company.



P-A-X Inside Telephones Build Business Efficiency

The same principles of automatic operation, the same automatic mechanisms and telephone instruments, can of course contribute to efficiency within business organizations. P-A-X Business Telephone Systems, made by Automatic Electric and installed separate from the city telephones, are proving this in thousands of cases—meeting the specific internal communication needs of business.



Automatic Devices as Design Components

Strowger Automatic telephone systems involve nearly every application of automatic operation—selection, control, data storage, recording, computation, etc. Since Automatic Electric mechanisms have proved they can meet these needs with the dependability demanded in telephone service, they are finding increasing use in the products of other manufacturers who require relays, switches and other automatic components of the very finest.

Would you like to know more about Automatic Electric and how we might serve you? Your letter or call will bring specific information promptly.

Automatic Electric Sales Corporation

HAYmarket 1-4300

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Chicago 7, Illinois

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AUTOMATIC  ELECTRIC

Makers of Equipment for Communications and Control
Electrical Engineers, Designers and Consultants

ORIGINATORS OF THE AUTOMATIC TELEPHONE



Wiring crossbar frame at Hawthorne Works of Western Electric.

PHONE EQUIPMENT--AN ANNOYED CUSTOMER INSPIRED DIAL SYSTEM



This is one of the first telephone instruments used in Chicago. It was known as a Williams' "coffin" set. Phone service here dates back to 1878.

Strowger's Development Of Automatic Device Gave
Chicago Its Start As National Center of Industry

ONE of the telephone industry's luckiest days was the day a certain customer got mad.

He was Almon Brown Strowger, a thin, nervous little man with flowing white whiskers, who had spent most of his life teaching in one-room rural schoolhouses. One day in 1889 he blamed the telephone operator for some misunderstanding, as many subscribers were wont to do in that era before equipment became almost fool-proof and before public relations training reached the position of importance it holds today.

Strowger's annoyance led him to do some serious thinking about ways to improve telephone service. The result was a device known as an "automatic telephone exchange." Significantly, he came to Chicago to

produce the first three models of his invention.

Chicago today is the center of the nation's telephone equipment industry. Three of the largest companies in the business have their headquarters or a major part of the operations here. Largest of the three is Western Electric Company, a subsidiary of American Telephone and Telegraph, parent company of the Bell System. Automatic Electric and Kellogg Switchboard and Supply are second and third in size, respectively. The three firms employ more than 27,000 persons in the Chicago area.

Strowger's automatic system, and all others developed since then, operate on the principle of sending electric current to central office switches. In the early models pus

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Progressive growth . . . from a humble beginning in 1936 to our present large plant completely equipped to produce cut gears and sprockets of every description is graphically portrayed here. Our plant is, perhaps, the most modern in Gear production in the Chicago territory. From end to end it contains the finest machinery and equipment obtainable for precision gear cutting. We produce all types of Gears and Sprockets from blank to finished product ready for assembly. Work flows smoothly from one department to another without interruption until final crating and shipment.

We are deeply appreciative of our growth aided in no small measure by the indomitable "I Will" spirit that characterizes Chicago and which imbues our craftsmen to forge ahead unto new horizons of leadership in Industry and Commerce.

INDUSTRIAL GEAR MFG. CO

4515-39 W. VAN BUREN ST.

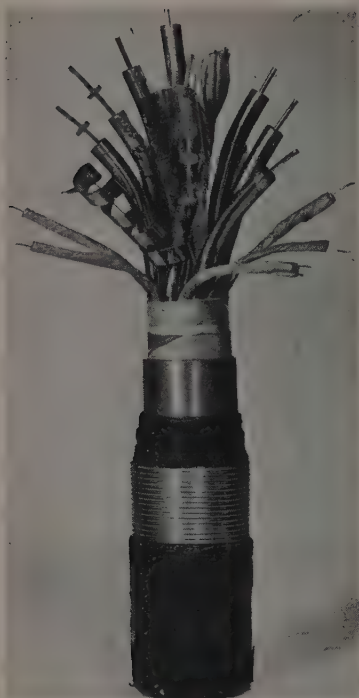
CHICAGO 24, ILLINOIS



1936 PLANT



OUR PLANT NOW



Fanned-out section of an 8-tube coaxial telephone cable. Each tube can transmit hundreds of phone conversations simultaneously. *AT&T photo*

buttons were used. To call the number 39, for example, the caller pushed the first button three times, causing the contact arm to move three places to a particular row of contact. Then the caller pushed the second button nine times, sending the arm horizontally to the ninth contact, these "contact banks" being set in 10 rows of ten contacts each. Thus the system made it possible for a subscriber to call any one of 100 numbers without going through an operator. A third (release) button was pushed by the caller when conversation was finished. Strowger's firm installed the first automatic telephone exchange in LaPorte, Ind., in 1892. This system accommodated about 80 subscribers. The mayor of LaPorte and the town band were on hand for the unveiling, which was observed by about 60 special guests, including one from France, two from Canada, and two from Russia. In 1893 a small Strowger exchange was exhibited at the Chicago World's Fair. The general public seemed happy with the new "thingamajig" and

"Goodbye to the hello girl" became a familiar expression.

The first dial telephones were installed three years later in Albany, N. Y., with dials about the size of a small piepan. Strowger exchanges were installed in the Loop district of Chicago in 1903 with about 1,500 subscribers. In 1905, 50 coin-operated phones were installed at the Fall River, Mass., exchange. The first military installation of automatic equipment had been completed in 1893 (Fort Sheridan) and the first foreign installation in 1898 (London). The Bell System, which had been using manual boards and operators for all its traffic, placed its first order for automatic equipment with Automatic Electric in 1918, an 11,000-line exchange at Norfolk, Va.

Far-Flung Plants

Today Automatic Electric has its main plant on Chicago's near west side, plus other plants in Brockville, Canada; Antwerp and Milan. Besides telephones and switchboards

FAST-FREQUENT-SCHEDULED

freight service to and from the MEDITERRANEAN and EAST OF SUEZ

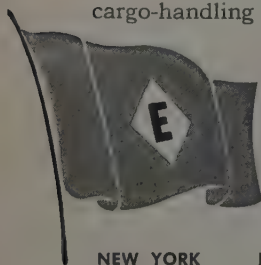
American Export's modern express liners call regularly at ports in PORTUGAL, SPAIN, FRANCE, ITALY, GREECE, TURKEY, LEVANT, RED SEA, PAKISTAN, INDIA, CEYLON, BURMA. About 200 sailings are provided annually from U. S. North Atlantic Ports.

American Export vessels are adapted to their work, with many special types of cargo-handling facilities. These include

humidity controls and equipment for fast loading and unloading.

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Why not call our office for fast, efficient, dependable service!



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This is the type of ship that will travel between Chicago and Europe when the St. Lawrence Seaway is completed. Deadweight 7,850 tons; Length 462 feet; Beam 58 feet; Draft (loaded) 24 feet; Speed 16 knots.

Chicago was a port before it became a city

Much of Chicago's early commerce was water-borne—and the hustling little community was a port before it became a city. Water traffic in this area today far exceeds that of the Panama Canal.

Chicago	29,929,000 tons
Indiana Harbor	15,225,000 tons
Buffington	1,138,000 tons
Gary	7,093,000 tons
Total Chicago Port Area	53,385,000 tons
Panama Canal	36,848,000 tons

Last year more than 180 foreign ships discharged cargoes at Chicago area docks and loaded a wide variety of products for the outbound voyage.

This bank's activity in working with companies using Chicago Port facilities dates back many years.

We believe your company would find it helpful to have a relationship with us. You are invited to come in for a visit.

Continental Illinois National Bank and Trust Company of Chicago

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For Over 50 Years..

Redington Counting Machines have been serving Chicago, the nation, and the world in counting the output of all types of production machinery and printing presses.

Originally created for *Candler & Price* platen presses (on which they continue to be standard equipment), Redingtons were quickly adopted for regular use on other presses of all types including *Kluge, Kelly, Webendorfer, Bantlin, Miehle, Babcock, ATF Chiefs, Miller*, and other allied machines for the printing industry.

Simplicity of design and use of the most durable materials combine to make REDINGTONS the most dependable counting machines on the market, for use on practically every type of machinery. They perform efficiently on punch presses, can making machinery, bagging machines, drill presses, molding machines, packaging machines, conveyor lines, box machines and the like.

The big white-on-black numerals are easy to read from quite a distance; the numerals are integral with the wheels, too, and cannot wear or become defaced.

Redington workmanship is also joined with our more than half a century of engineering experience to produce the finest automatic packaging machinery in the world. Many of the best-known products in this country are cartoned or wrapped on Redingtons.

For further details about our equipment, our Counting Machine or Packaging Machine catalog is yours on request.

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102 SO. SANGAMON ST.
CHICAGO 7, ILLINOIS
342 Madison Ave., New York 17, N. Y.



equipment for local, long distance and office telephone systems, it makes relays, switches, and components used in automation, aircraft and military control devices. Customers are largely the 5,200-odd independent companies in the United States, plus several hundred abroad.

Most of the equipment used by the Bell System, largest telephone operator in the world, is made by Western Electric Company, founded in Cleveland in 1869 by an inventive college professor named Elisha Gray, and a former Western Union telegrapher, Enos Barton. They were financed by General Anson Stager, a vice president of Western Union. In 1871, the company moved to Chicago, and in the first crucial hours after the great fire in October of that year, Gray and Barton helped re-establish the city's communications with the outside world.

Switched to Phones

At first the firm of Gray and Barton manufactured telegraphic equipment and electric signalling devices used by the railroad industry. But in 1876 when the telephone was introduced the company became one of about half a dozen suppliers of telephone equipment.

The most important date in the history of Western Electric probably is 1882. In that year, the firm known as Western Electric Manufacturing Company became a major supplier for the Bell system. Another important date was 1912. In that year, a young man named Lee DeForest walked into the engineering department of Western Electric's Hawthorne works in suburban Cicero, carrying a flimsy gadget he had made out of glass, wire, and wax. This was the magic vacuum tube, the heart of radio, television, and other electronic wonders. Western Electric engineers played a leading role in the subsequent development of the vacuum tube and out of this research came numerous improvements in long-distance telephone communication.

One of the most interesting innovations, and another threat to the "hello" girl, is automatic long distance telephony — called customer nationwide dialing. Already telephone users in Englewood, N. J.,

Birmingham, Mich., and Valley, Pa. can dial long distance to certain areas in the nation without going through a long distance operator. Similar service for Waukegan and Highland Park, Ill., is scheduled for early 1955. Eventually it is planned that every telephone user will have a seven-digit number, any place in the U. S. or Canada will be reachable by automatic dialing. Western Electric produces most of the equipment for these installations in the Bell system, while Automatic Electric and Kellogg Switchboard and Supply produce for independent phone companies.

The only way to appreciate the giant size of Western Electric today is to use figures. During one recent year the company made 50,000 different telephone products. While some, tolerances are closer than those required in watchmaking. The newest Bell telephone instrument has 471 separate parts. The dial alone contains 92.

To satisfy the Bell system's gargantuan needs, Western Electric deals with more than 27,000 business firms, located in 2,700 communities in all 48 states and eight foreign countries. It shops for 30,000 separate items.

Western Electric operates plants, five of them in the Chicago area. The oldest and largest is the Hawthorne Works in Cicero, which began operations in 1905. Hawthorne produces dial telephone switchboards, relays, copper wire sheathed cable, and other items. The other plants here are the 44th Street shops (fuse panels, pole and switching housings); Clear Lake (steel wire and strand, pole line hardware); Kolmar avenue (man switchgear), and Teletype Corporation, a WE subsidiary which manufactures teletypewriters. WE's workforce totals about 100,000, including 21,000 in the Chicago area.

Kellogg Story

Kellogg Switchboard and Supply was founded by an official of Western Electric, Milo H. Kellogg. He had already acquired a fistful of patents when, in 1897, he decided to strike out on his own. The decision brought immediate returns. The infant firm's first contract was for

gest switchboard built up to that
 e — equipment accommodating
 eral hundred subscribers in St.
 uis. The unit was built in an
 andoned schoolhouse in Highland
 rk, now a fashionable North
 ore suburb of Chicago. During
 first 17 years the Kellogg com-
 ny built and installed more than
 00 telephone systems, many of
 m outside the United States. In
 05 Kellogg introduced the first
 dle telephone, and eight years
 er it became the first telephone
 nufacturer to mold the instru-
 nt out of bakelite. In recent
 rs Kellogg has produced many
 itional improvements in tele-
 one equipment. One of the most
 portant is the "multi-channel car-
 ," which permits additional con-
 sations over a two-wire metallic
 uit without extra poles or lines.
 llogg was also the first independ-
 American manufacturer to de-
 op, produce, and install a Swiss-
 ented "crossbar" system, which
 competitive with the Strowger
 ephone switching system.

At its main plant, a 350,000 square
 t structure near Chicago's Mid-
 y Airport, Kellogg employs about
 00 workers. A second plant, a few
 es north, has 75,000 square feet
 production space and about 400
 rkers. In an average year Kellogg
 ssumes about 1,010,000 pounds
 wire, some only 3/1,000ths of an
 h in diameter.

Leich Electric Company, which
 dquarters in Chicago, has been
 nufacturing telephone equip-
 nt since 1907. Its plant is at
 noa, Ill., just outside the limits of
 Chicago industrial area. Leich
 kes telephones, switchboards and
 ated apparatus for the independ-
 telephone companies that may
 ge from the smallest rural organ-
 tions to those serving large met-
 olitan areas.

Chicago leads in the production
 many goods, but nowhere is this
 eminence more striking than in
 telephone industry. For it is
 e that switchboards, telephones,
 e and cable are produced for the
 ority of the world's 82 million
 phone customers.



from a courageous idea to...
**INDUSTRIAL LEADERSHIP
 IN LESS THAN 20 YEARS**

Of all Chicago success stories, few are as spectac-
 ular as that of Admiral Corporation.

It is the story of a business that was launched in
 the heart of the great depression against the heav-
 iest possible odds, a business that was founded in
 1934 in a corner garage on little more than faith
 and driving energy. Today that business has be-
 come one of the world's largest manufacturers of
 electronics and electric appliances.

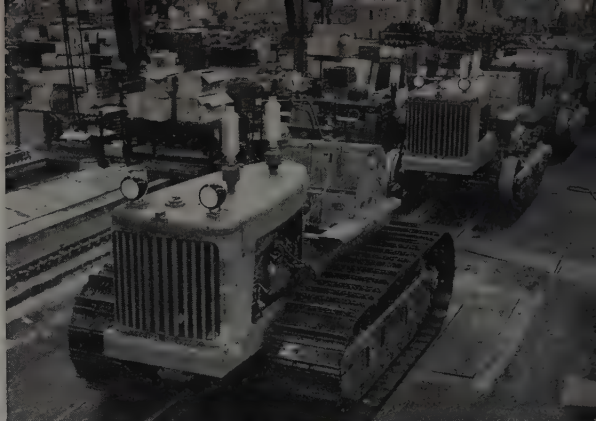
Details of the story are now common knowledge:
 Admiral offered America quality merchandise at un-
 heard-of low prices. First, it was only radios. Then
 phonographs, radio-phonographs, refrigerators and
 ranges. Next came television. And, finally—de-
 humidifiers, freezers and air conditioners.

Admiral is proud of its place in the ranks of in-
 dustrial giants that make Chicago the tremendous
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 proud of our part in proving again that, as a center
 of business opportunity, Chicago remains un-
 equalled in the world.

Admiral Corporation
World's Largest Television Manufacturer
 Chicago 47, Illinois



Huge gear for punch press made by Clearing Machine division of U. S. Industries



Tractor line at International Harvester's Melrose Park plant



Blast cleaning flood-damaged machinery with corn cob particles at Western Electric

IT'S HARD TO NAME A MACHINE

NEED a 1/2,000th horsepower electric motor, or the most powerful crawler tractor in the world, or a printing press, or perhaps a replacement part for an important machine?

The chances for getting that motor or machine or part right away are better in Chicago than in any other city anywhere. Chicago is the most diversified manufacturing center on earth, and nowhere is its leadership more striking than in the production of machinery and general industrial equipment of all kinds.

The variety of Chicago's output of machinery, equipment and all their related items, is bewildering. The city is the nation's largest manufacturer of what the United States Department of Commerce calls "metalworking machinery other than machine tools," and the largest manufacturer of general industrial equipment. Chicago is second in the manufacture of farm equipment, the leader in diesel engine manufacture and first in production of pumps, conveyor equipment, food machinery, ball and

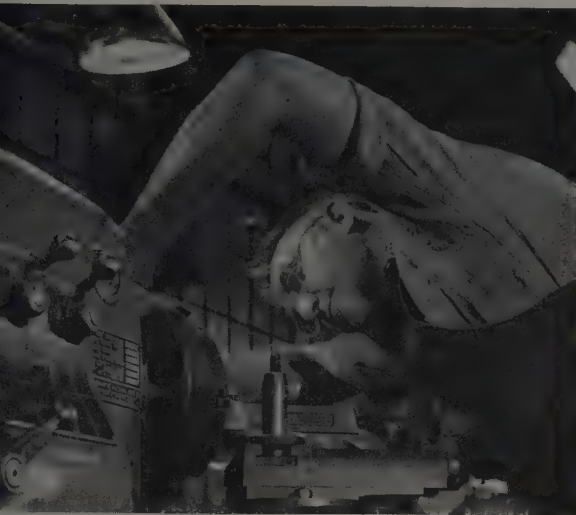
roller bearings, valves and fitting electronic equipment and devices and tools and dies. This list of firsts and seconds could go on and on.

Much of the research that has brought the diesel engine to its present stage of extraordinary usefulness was done in the laboratories and plants of such local companies as International Harvester, Buick Company and the Electro-Motive Division of General Motors.

Electro-Motive has been the major influence in the revolution that has almost completely replaced all



treating farm implements at Ingersoll Products div. at Borg-Warner



operator at work in tool room of Ceco Steel Products Corporation

CHICAGO DOESN'T MAKE

By D. V. Sholes

am locomotive with the diesel on American railroads. Chicago is the headquarters of Fairbanks, Morse and Company, producer of diesel locomotives, stationary and marine engines and a variety of other products including electric motors and generators, pumps, and scales. Buda produces gasoline as well as diesel engines for trucks, buses, stationary power plants, farm tractors,

The author is business statistician of Chicago Association of Commerce and Industry.

and small ships. Other products include lifting jacks, railroad equipment, lift trucks, earth drills and generator sets.

International Harvester, despite its varied line of products and its position as the third largest manufacturer of motor trucks, is best known as a maker of farm equipment. The company's history in Chicago goes back more than 100 years to 1847 when Cyrus Hall McCormick, inventor of the reaper, established the first Harvester plant on

the north bank of the Chicago river. Today the company has five plants and 22,000 employees in Chicago, and 16 plants and close to 40,000 workers elsewhere.

In the category of metal working machinery other than machine tools are such devices as presses that form or stamp metal; sheet metal working machinery, flexible shaft machines, acetylene welding machines, wire-drawing machines and numerous others. Recent Department of Commerce figures show 61 Chicago area producers of metalworking machinery other than machine tools and accessories.

The heavy metalworking machinery industry is represented by three of the largest pressmakers in the business — Danly Machine Specialties, Verson All-Steel Press Company, and Clearing Machine Corporation.

Range of Pump Uses

Pumps are vital elements in an amazing range of uses, from the automobile to the municipal water system. There are pumps in locomotives, in airplanes, in farm irrigation systems and oil and gas pipelines, and in countless industrial processes. Chicago companies manufacture just about every type of pump. Among the well known names in this field are Aeromotor, Chicago Pump, Crane, Transmission Machinery, Weil Pump, Denison Engineering, Yeomans Bros., and Tuthill Pump Company.

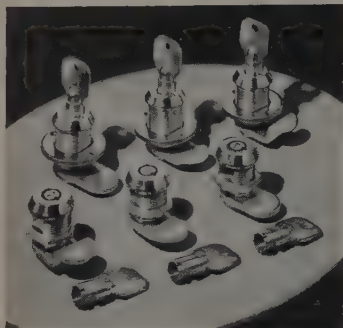
Power transmission equipment is manufactured by 50-odd Chicago area firms. These products include gears, speed reducers, clutches, shafts, chain drives and variable speed drives. Prominent firms include Foote Bros. Gear & Machine Corporation, Brad Foote Gear Works, D. O. James Gear Manufacturing, Industrial Gear Manufacturing, Illinois Gear and Machine, American Stock Gear, Division of Perfection Gear Company, and Pyott Foundry and Machine, Division of Love Bros., Inc. Automatic Transportation and Barrett-Cravens Com-

CHICAGO LOCK

Presents

Progress in

Security



The ACE 7 pin-tumbler mechanism may be keyed to over 80,000 changes. That means *security!* The ACE round keyway is designed to prevent the insertion of tools into the lock. *That means security!* Key blanks for the ACE Lock are *never* sold to anyone. *That means security!* Changes for your private use are registered in your name so that only you can get duplicate keys from the factory. *That means security!*

Together these features represent great progress in security. That's why it's wise not to risk dollars just to save pennies on your plant or equipment locks. So next time you order cabinets, desks, lockers, etc., be sure you get CHICAGO Locks. Meantime, write for our "Plant Security" Folder. No obligation, of course.

Leaders in Security Since 1920

Chicago Lock Co.

3024 NORTH RACINE AVENUE
CHICAGO 14, ILLINOIS

pany are leading producers of industrial lift trucks, while Ilg Electric Ventilating, General Blower and Garden City Fan Company are among the leading producers of ventilating devices.

Much of the improvement in foodmaking machinery has taken place in Chicago. Among the firms which have contributed are Bastian-Blessing, world's largest soda-fountain manufacturer; Middleby-Marshall Oven Company, Creamery Package Manufacturing, Allbright-Nell, the Globe Company and Monjonnier Bros.

Penicillin is cheap today because of the equipment designed by a Chicago company, Podbielniak, Inc. The company's contactors and solvent extractors are used by pharmaceutical firms in the United States and 36 other countries. Podbielniak machinery, equipment and scientific devices are also used extensively in the petroleum and chemical industries, and in research laboratories.

Other leading manufacturers of special industrial machinery here include Miehle Printing Press & Manufacturing, Goss Printing Press, Woodworkers Tool Works, Union Special Machine (industrial sewing machines), Chicago Box Machine Works (paper industry) and Consolidated Engineering Enterprises (paint manufacturing equipment).

The Chicago industrial area produces about eight per cent of the nation's construction and mining equipment and is the second largest in the business. Milwaukee, less than 100 miles away, is first. Together, the Milwaukee and Chicago areas produce about \$275 million worth of construction and mining equipment annually. Major Chicago area firms in this field include Link-Belt, Goodman Manufacturing, Athey Products, Vulcan Iron Works, Barber-Greene & Company, Frank G. Hough Company, now a subsidiary of International Harvester, and Sasgen Derrick.

Perhaps the best indication of the variety of the products manufactured by these firms is the catalog of one of the largest—Link Belt. This document of nearly 50 pages lists such items as traveling water screens, sand revivifiers, dumpers that tilt a loaded railroad car, and coal preparation plants that can be purchased as a package.

One of the more recent additions to the machinery fraternity is the coin-operated vending machine. Some of the nation's largest producers of this equipment are Ston Manufacturing in Aurora, Bal Manufacturing, Buckley Manufacturing, J. P. Seeburg, O. D. Jennings & Company, Johnson Fare and Mills Industries.

Two milestones in the coin-operated vending machines industry were recently recorded in Chicago. One was the development of the first "automatic parking lot"—a lot supervised by coin-operated railroad gates instead of a human attendant. When the driver deposits a coin the gates rise and permit him to enter. The other milestone was the first experiment in automatic institutional feeding. Last year, seven Chicago schools were equipped with vending machines which, together, served complete lunches.

Nation's Leader

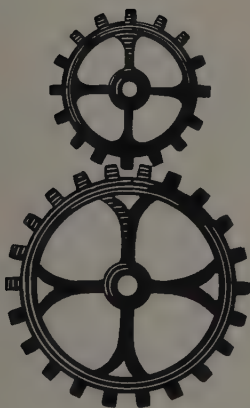
Chicago leads the nation by a wide margin in the manufacture of ball and roller bearings; in number of firms that perform special machining jobs, and in the manufacture of valves and fittings. Among the city's leading ball and roller bearing firms are Ahlberg Bearing, Aetna Ball and Roller Bearing and Bearings Manufacturing Company.

Crane Company, founded in 1856 in a machine shop that would fit comfortably into a modern day two-car garage, now occupies 72 acres of floor space on the city's south side. Crane, the world's largest manufacturer of valves and fittings, also has plants in five other American cities plus seven in Canada. Besides valves and fittings, the firm makes plumbing fixtures, boilers, radiators, kitchen cabinets and aircraft accessories and is preparing to become a titanium producer.

One of the city's most varied businesses is the manufacture of industrial electric apparatus. This apparatus includes fuses ranging in capacity from a tenth of an ampere to 600 amperes or more; transformers smaller than a matchbook, which supply radio pilot lights, and others weighing more than 300 pounds which alter the current and voltage coming into industrial plants. There are nearly 200 firms in Chicago manufacturing industrial electrical

D. O. JAMES

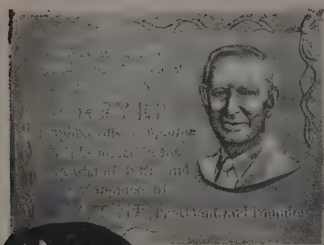
Established 1888



Like some of our contemporaries
 In the present day industrial life of Chicago
 we have been making our products
 for many years . . . We have enjoyed
 these years of growth and experience.
 TODAY, we are presenting ourselves
 all over the world, as a manufacturer
 of Gears, Gear Speed Reducers and Flexible
 Couplings and pridefully tell that we were
 Established in 1888 . . . and IN CHICAGO.

D. O. JAMES GEAR MANUFACTURING CO.

1140 W. MONROE STREET, CHICAGO, ILLINOIS



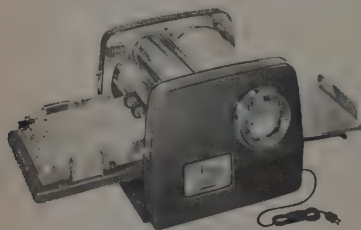
Heyer

we grew up in Chicago with Chicago

... and are proud of
our part in
The Chicago Story

Today, Heyer Duplicating Products are known world-wide for quality and dependability. A large dealer organization of leading Stationers, Office Equipment and School Supply Dealers throughout the United States carries the Heyer Quality Line to Businesses, Institutions and Industry.

It all started over 50 years ago, as Chicago itself started out in the world of commerce. Our first product, manufactured by T. A. Heyer, founder and present president, was suitably enough called The Chicago Hektograph. The Hektograph is still being manufactured, and remains the least expensive duplicating equipment for reproducing 50 to 75 copies of anything typed, written or drawn on a master copy.



Just recently Heyer introduced the first truly automatic electric Spirit Duplicator—The Heyer Conqueror Model 76, companion to the popular manually operated Model 70. The 'Spirit of '76', as it is called, prints quality copies, 120 or more per minute, in 1 to 5 colors... all in one operation. And does the job with speed and ease never before thought possible.

If you're interested, if you have need for the right duplicator at the right price, write for catalog and further information.

THE HEYER CORPORATION

1850 S. KOSTNER AVE.
CHICAGO 23, ILLINOIS

tric apparatus and they employ about 18,000 workers.

Chicago's transformer industry includes four major firms—Jefferson Electric, Chicago Standard Transformer, Advance Transformer and Sola Electric Company. Jefferson makes standard units for industrial power supply circuits, lighting fixtures, neon signs and oil and gas burners. The firm also makes transformers for a host of special applications such as removing fog on frozen food showcases, supplying voltage to airport runway lights and energizing cowpasture fences.

Standard Transformer, which says it's the largest manufacturer of transformers for the electronics industry, also makes industrial units used in lighting and production machine circuits. Advance Transformer is a major producer of the transformers needed to operate fluorescent lights, while Sola specializes in voltage regulating transformers—units which help maintain a constant voltage under varying circuit conditions.

One of the world's largest manufacturers of fractional horsepower motors is located on the city's near north side. The company, Bodine Electric, makes more than 3,500 varieties of electric motors, ranging from 1/2,000th horsepower to 1/6th horsepower.

Janette Electric Manufacturing Company was a pioneer in the development of gear motors and speed reducers. Today, the firm is one of the largest in the field.

Electrical Switching

Chicago is the home of a leading manufacturer of high-voltage electrical switching equipment, Delta-Star Electric Division, H. K. Porter Company. It primarily serves the power plant needs of utility companies and special requirements of aluminum and steel mills. Delta-Star recently completed an order for the largest switches ever built in the United States—three-pole switch units, each rated 330,000 volts, 1,600 amperes, to supply power to one of the nation's atomic energy plants.

Electric heating elements are used primarily in the plastics and packaging industries, but they have many other applications—everything from heating bacteria cultures to preparing railroad engine oil samples for

analysis. Major manufacturers of these elements in the Chicago area include Ogden Electric, Therme Inc., and Acra Industrial Electric Company.

Westinghouse Electric has its Mid-America headquarters in Chicago, covering a nine-state region. Represented here are sales, engineering and service personnel of the company's 29 different departments, divisions and subsidiaries. Here too Westinghouse has one of the largest manufacturing and repair plants in the country. The plant turns out switch gears, control centers, control and panel boards, and repairs industrial electrical equipment, including meters, instruments and relays. Largest of its kind in the middle west, the plant speeded the restoration of Chicago's commerce and industry to normal following the flood in October, 1954. Within three days, more than 200 motors from fractional to 500 horsepower were repaired and placed back in service. The company employs approximately 1,250 office and factory workers in Chicago.

A leading producer of industrial wire, Belden Manufacturing, is located on the city's West Side. Belden also has a plant in Richmond, Ind. An important part of its business is the manufacture of insulated wire used in windings on motor generators and transformers. Belden also makes battery cables, spark plug wire sets and the lead wires and cables that energize portable power tools, welders and machine tools.

A wide variety of meters and measuring instruments are produced here. These include devices for determining voltage, amperage, wattage, and other electrical quantities; pyrometers (heat gauges), timers, and light density meters. Leading manufacturers of this equipment include W. M. Welch Scientific, Chicago Industrial Instrument, Illinois Testing Laboratories, Inc., and Simpson Electric Company.

The wide variety of machinery manufactured here and the immensity of many of the firms clearly mark Chicago as the industrial machinery and equipment leader in the world. Probably no other city in the history of mankind has achieved such a large and varied economy, and one that is so important to the industrial potential in other areas.

PLASTICS IN ALL SHAPES AND SIZES

Chicago's soil is as fertile for plastics
firms as Iowa's is for corn

By
Phil Hirsch

A FEW years ago, agents of the Federal Trade Commission were ushered into the office of one of the nation's largest chemical manufacturing firms. In their brief cases were advertisements for a new "plastic" paint. They suspected that the manufacturer of the paint had appropriated the magic word "plastic" more for its effect on sales than because of any passion for semantic accuracy. The firm they were visiting supplied the ingredient on which the paint maker based his claim.

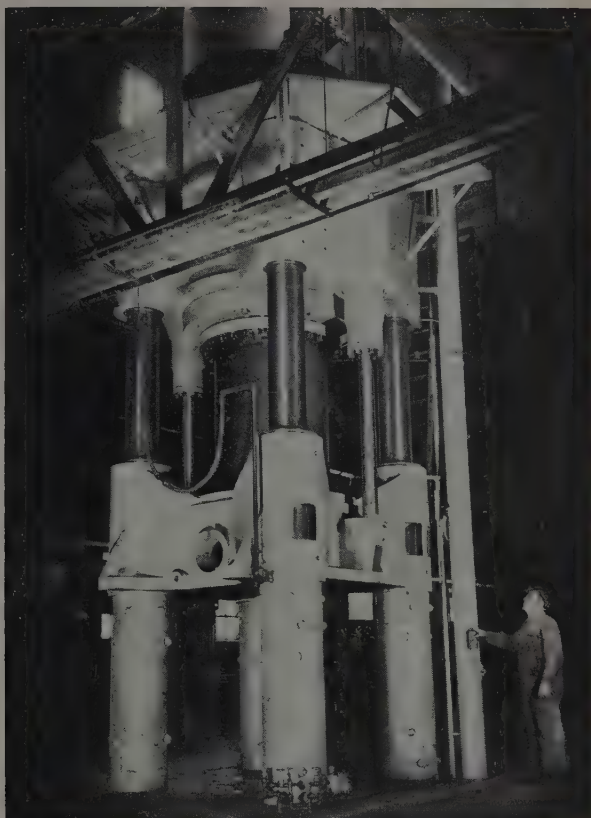
"Gentlemen," said the chemical company's research director, "if you say this ingredient is a plastic, I'll give you 20 reasons why it isn't. If it isn't, and I'll give you 20 reasons to show that it is." More than anything else, the research director's comment reveals the great variety of products and applications that constitute the plastics industry today — so many products and applications in fact that it's difficult to find the right combination of words to define plastics."

There is an unlimited variety of plastic substances, any one of which may have a hundred or a thousand uses. The industry is so new that the potentialities of many plastics haven't been fathomed yet. True, the first plastic, cellulose nitrate, was discovered in 1868. But many of the most widely-used plastics today were unknown as late as 20

years ago. The list includes nylon and polystyrene, which made their bow in 1938; dacron, orlon, and polyethylene (1942), and silicones, developed about 1943.

The Chicago area is perhaps the best place in the country to see the plastics industry in all its bewildering variety. Everything from football helmets to battery cases for jet interceptor planes, from caps for one-ounce medicine bottles to cabinets for 21-inch television sets, is turned out here.

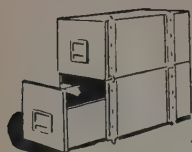
Earl Keown, vice president of both The Society of the Plastics Industry and The Santay Corporation, a large Chicago molding firm, says: "production here is as large as or larger than in any other single area in the country." He estimates that plastics output in the Chicago area, based on volume of



This three-story press at Molded Products Corporation is what it takes to mold 21-inch plastic cabinet for Admiral TV sets

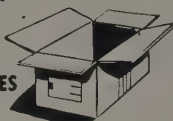


Refrigerator door panels are made by Chicago Molded Products Corporation



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raw materials consumed and value of the finished articles, amounts to about 35 per cent of the United States total.

The Chicago area plastics industry includes a sizeable number of raw material manufactures. The Sherwin-Williams Company turns out color pigments and plasticizers at its plant in Roseland. Glidden, on the city's northwest side, produces liquid resins used in fiber glass, the much-publicized plastic that has found its way into everything from living room curtains to sports car bodies.

Catalin Corporation of America has been producing liquid plastic resins for several years at a plant in Calumet City, and recently completed an addition for the manufacture of polystyrene powder. And the Marbon Division of Borg-Warner Corp. has a plant in Gary which makes a high-impact resin powder known as "Cyclac," used in oil, gas, and water pipe, radio cabinets, TV cabinets, golf club heads, and steering wheels, among other applications.

The Chicago area's claim to leadership in the plastics manufacturing industry rests mainly on the myriad processors located here. The city and its environs are filled with molding plants where heat and pressure are applied to plastic powder, converting it into finished or semi-finished products. The fabricators, almost as large a group, machine the rigid sheets, rods, and tubes; and they cut, sew, or seal the flexible film and sheeting turned out by the molders, into such items as garment bags, raincoats, airplane canopies, jewelry, television lenses, and packages.

Chicago is the capital of the country's electronics industry. Radio and TV sets; two-way communication systems for taxicabs, police and fire vehicles; radar and broadcasting equipment—the chief products of the industry—are filled with plastic components. As a result, Chicago's soil has been as fertile for plastics firms as Iowa is for corn or Idaho's for potatoes.

The presence of so many plastics molders and manufacturers isn't due solely to the electronics manufacturers, of course. Within the city, or close by, are major producers of scientific instruments, houseware, washing machines, refrigerators, and

air conditioners, each of them built in considerable part of plastics. Chicago's unrivaled distribution facilities have been an important factor in bringing much of this business here. This is especially true of another large plastics user, the automotive industry. Even today, when the larger automobile firms operate their own molding plants, that industry is tied firmly by rail and truck to Chicago's molders and fabricators who produce a substantial portion of the specialized plastic parts needed in today's cars.

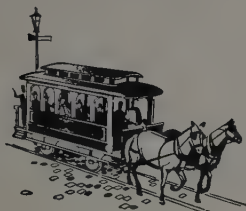
More or less the same story can be told of the telephone industry. Shortly after Dr. Leo Henrik Bakeland developed Bakelite in 1909, Western Electric began molding the new material into telephone components. Such independent telephone manufacturers as Automatic Electric Company and Kellogg Switchboard and Supply Company also pioneered in the molding of bakelite and similar plastics. Today these Chicago companies still mold some of the plastic component needed for their own equipment. But the telephone and its appurtenances have grown, both in complexity and production volume, requiring much of the work to be farmed out.

Nurtured by the tremendous, diverse market here, Chicago's plastic industry today includes several giant firms. American Phenolic Corporation is the world's largest supplier of plastics components to the electronics industry. Amphenol has five plants and 1,800 employees all in Chicago, turn out 11,000 separate items. These include various kinds of plug-in connectors used in radio, radar, and television circuits, and coaxial cable in seemingly numberless kinds and types.

Amphenol parts are used in automatic computers, the "electron brains" that are working a slow revolution in front offices across the land. One of the latest of the gadgets, known as "ALWAC," contains some 500 Amphenol parts in its innards.

The Molded Products Division of Admiral Corporation is another large supplier of plastic parts to the electronics industry. It produces the nation's first plastic television cabinet, for a ten-inch set, in 1949. Some idea of the importance of plastic television cabinets may

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gained from the fact that they are wrapped around about one-third of Admiral's sets today.

The Molded Products Division, founded as an independent company in 1939 with 16 employes and two 250-ton presses, has about 500 employes today and a whole battery of presses, the largest of which develops a pressure of 3,000 tons. Admiral also has a newly launched fiber glass division with a 150,000 square foot plant in West Chicago where it makes liners for refrigerators and freezers and droppable fuel tanks for the air force.

The plastics division of General American Transportation Corporation is one of the largest molders in the business, and operates the largest plant in the industry. The East Chicago facilities of GATX, which employs about 1,000 workers, include three 300-ounce injection molding presses, each as big as a railroad locomotive, and 2,000-ton compression molding machines.

A huge tool and die shop holds one of the largest milling machines employed in plastics manufacturing, and an unusual gadget known as a "Turchan duplicator" which makes it possible to turn out two dies at once. Although it specializes in large parts, GATX also produces a lot of small ones, as is indicated by the fact that, besides the 300-ounce injection molding presses, it has others with capacities as small as two ounces.

In 1927 Chicago Molded Products

Company produced the first plastic washing machine agitator, and four years later, the first plastic radio cabinet. The company also pioneered in the development of plastic clock cases and organ keys. This year CMPC became the first company to make a large TV cabinet in brightly colored urea plastic.

During World War II, the area around the Santay Corporation on Chicago's west side looked a little like a military reservation, as military transport trucks moved in and out of the main gate at all hours. Producing plastic components for the proximity fuse used in guided missiles kept the Santay plant open 24 hours a day, seven days a week, for three years.

Santay is still producing proximity fuse parts. One of these is a disk about the size of a silver dollar, which contains at least 20 holes of varying diameters. Several of the holes contain teeth so small you can barely see them. Tolerances on this part range as low as .0005 inch. Santay also produces a variety of nylon gears, plastic cigaret lighters, and plastic football helmets, and it is perhaps the nation's largest manufacturer of plastic control knobs. The company specializes in applications requiring the attachment of plastic to metal.

One of the newest uses of plastics is in piping. Although most of the pipe manufactured in the United States is still made of metal, a steadily-growing percentage is being fabricated of plastic. According to one estimate, annual consumption of plastic for piping has risen from

five million to 30 million pounds in the last three years.

Two of the nation's leading plastic fabricators are in the Chicago area. One is the Mills division of Continental Can Company; the other is the Anesite Corporation.

These are a few of Chicago plastics manufacturing and pressing firms. There are many others. The Richardson Company, with plants scattered across the nation, lays claim to the title of largest independent molder in the United States. Its biggest facility is in Menomonee Park. Richardson's laminate products include tabletops, electrical switches and other components. The company molds washing machine agitators, radio and phonograph cases, dish washer impellers, and printed electronic circuits.

G. Felsenthal & Sons, Chicago's oldest plastics firm, was founded in 1899 by a Louisville watchmaker named Gabriel Felsenthal. One of his first products was celluloid clock cases, and later, in the early days of the "horseless carriage," side curtains for automobile windows. Today, Felsenthal is still very much in the automobile accessory business. About one-third of the firm's business is represented by speedometer clock, and other dashboard dials; the other two-thirds is divided equally between navigation instruments for ships and airplanes, and cases and dials for radios.

The Durethene Corporation, suburban Cicero, manufactures polyethylene packaging materials used to wrap meat, poultry, candy, fruit and vegetables. Sandee Mfg. Company, which specializes in extruded plastics, makes automotive dashboard trim and sun visors, garden hose, refrigerator breaker strips and components for fluorescent lights. And in Gary the plastics division of Reynolds Metals Company produces film for packaging and a host of other applications, including the body of the Chevrolet "Corvette" sports car.

Plastics may have taken a long time to find a niche for themselves in industry and the home, but they have been making up for lost time in the past 20 years. Chicago's plastics manufacturers, with their tremendous catalog of products and long-accumulated knowhow, have played a leading role in making the industry the giant it is today.



LEFT—One of the first commercial applications of plastics originating in Chicago was the washing machine agitator, first produced by Chicago Molded Products Corporation in 1929. Picture shows moulding of modern agitator

BELOW—Small nylon parts end up in a variety of products



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LIFE-SAVING DRUGS FLOW FROM CHICAGO LABORATORIES

IN THE latter half of the 19th century horse-drawn carriages clomped down the streets of young Chicago; women held their skirts away from the mudded walks. New businesses mushroomed in wooden buildings, while Mrs. O'Leary's cow munched away in her barn. Varicolored globes stood dusty in apothecary windows, beside the mortar and pestle.

Pharmacy, then, was as unorganized, as crude, as sprawling as the city itself; but like the city it had a huge, unsuspected potential — men of vigor and foresight who were to play an important role in the creation of that complex and efficient colossus known today as the pharmaceutical industry.

In the 1800's a doctor largely treated symptoms of disease, not causes. If he lived in the city, he had a druggist compound "shotgun prescriptions," a little of one thing

and another, tested by rule of thumb. If he lived outside the city he stocked his own crude alkaloids, powders, leaves, and roots, grinding them into flavored extracts and syrups — sarsaparilla, orange, or cherry. He carried these mixtures with him in his carriage, dispensing them as he went.

Homeopathic doses were popular: prescriptions were compounded of many different drugs in tiny amounts — too tiny to do much good, but sufficiently grim-tasting to command respect. A housewife did not complain that her children's medicines were mixed by intuition, much as she mixed her stew — with

a dash of this and a dollop of that; no exact standards or measurements were applied. There was no wonder, either, of predicating toxicity: a doctor was surprised and chagrined to find a compound without ill effects one day caused unpleasantness the next, for his raw materials varied in strength and he had no way of assaying them.

There were young men who became impatient with unpredictable results and unreliable dosages. They were uncomfortable in the comparison of their "ethical" prescriptions with patent nostrums hawked from town to town by "medicine men" — cures for everything from baldness

Pharmaceutical Makers Pace

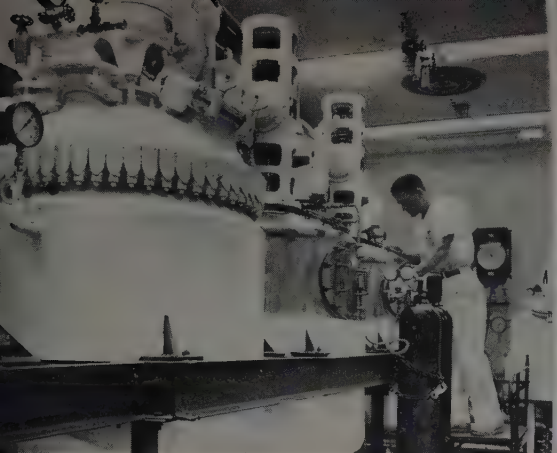
Advances In Medicine

Preparing ampuled solutions for hypodermic injection



Drier at Abbott Laboratories handles 6,500 pounds of liver extract





New antibiotic mixing tanks speed quantity production



Tablet coating at Searle's makes medicine more palatable

cancer. They dreamed of drugs that could be depended on for stable effectiveness. They wanted a sober, honest appraisal of a drug's action. They wanted to know its imitations and possible ill effects; they wanted to know when it was contraindicated, and they sought assurance it had no impurities.

These young men were unknown to each other, although severally they were to become the fathers of a giant industry destined to change the face of America's medicine, to help with its wars, and to influence its social history. One was a young war veteran who wanted to help the suffering he had seen; one was a practicing physician; one worked in the teeming stockyards. They had two things in common, these young Chicagoans: a desire to cure the ills of man, and that "divine dissatisfaction" with things as they were, that has stimulated the real progress of the world.

Into their ready minds came the ideas of the Belgian, Adolphe Burrhaeve, who talked of "Active Principle" medication — discarding the effective parts of a plant and extracting or distilling from it only its essence, its effective agent. He reached the distribution of definite and uniform dosages, and insisted on the removal of impurities.

These young men worked at distilling, measuring, refining pharmacologic products for their use or for distribution to physicians. They standardized their compounds, measuring them carefully, and were scrupulous to claim no more for them than performance would warrant. Physicians who used their products learned to trust these men, and to depend on the effec-

tiveness of the refined drugs; they ordered more than could be produced in small home laboratories. So lofts were rented, and when these, too, were outgrown, factories were built. Modestly, but significantly, a new industry was established. Meanwhile, the high standards being set for drug products were paralleled by an equal evolution in ethical standards. Gradually pharmaceutical producers learned to test drugs clinically before they were distributed; to sell products only through established ethical channels; to confine advertising to the profession.

Medical Advances

At the turn of the century, as concepts of medical therapy broadened and new drugs were discovered, pharmaceutical houses no longer supplied only alkaloid granules. In pace with medical advances, they pioneered the production of complex synthetic drugs. They compounded medicines for coughs; they refined morphine from crude opium for the relief of pain; they developed salicylates to allay fever and stimulants to support a failing organism. They developed their own research laboratories, staffed by chemists and clinicians trained in universities throughout the world.

Under the impetus of the first World War, discoveries were made and products developed which had far-reaching impact on the life and health of the nation. For one thing, chemists in American laboratories had learned drug synthesis—a tremendously important advance. Now they could analyze a material chemically to define its components, and

in many instances reproduce them artificially, without recourse to the original substances.

War Gap Filled

In 1916 Abbott Laboratories introduced germicidal agents and a water-purifying compound. And when supplies of local anesthetics, previously imported from abroad, were cut off, Abbott synthesized barbital, a sedative-hypnotic, and procaine, a local anesthetic. The raw materials for these had previously been obtained from Germany. Chemical synthesis was American pharmacy's own declaration of independence.

At the same time, G. D. Searle and Company, another laboratory newly located in Chicago, went full speed into the production of arsenicals: Dr. Ehrlich's "Magic Bullet" went forth to battle that historic scourge of men and nations, syphilis.

Murine, an eye preparation, was compounded by two prominent Chicago oculists in 1885, and was first placed on the market in 1897 when the Murine Company was formed. It is distributed in more than 50 countries, territories and colonies.

Baxter Laboratories, Morton Grove, has developed many new intravenous solutions, and in 1939 developed the "closed system" of blood bank whereby blood drawn from a donor can be kept safely up to 21 days.

Another important development in Chicago pharmacy received its initial impetus some 30 years earlier when a man sitting behind his desk at the stockyards received a strange

order; someone wanted a quantity of pepsin—a substance derived from animal stomach. So Armour and Company opened up a new pharmaceutical field—the production of “biologicals” — animal by-products which can be used to serve medical needs. From animals are derived serums for antitoxins and vaccines that protect against smallpox, tetanus, and numerous other diseases. Techniques have become so highly developed that today human blood and plasma collected by government agencies are sent to Armour Laboratories for processing into gamma globulin, the anti polio injection.

Wilson and Company, another pioneer in the field of biologicals, has lent its immense facilities and specialized knowledge to research in biological medications.

The success of these ventures led to a co-operative search on the part of physicians and suppliers into the pharmacologic potential of other animal substances. Animal glands provide a rich source of curatives. Insulin, derived from animal pancreas, enables millions of diabetics

to live normal lives. Thyroxin, extracted from the thyroid gland of the cow, relieves the wide range of morbid results of thyroid deficiency. Adrenal gland fractions are used to prevent the degenerative, wasting process of Addison's disease. Adrenalin stimulates a failing heart and supports blood pressure; it is a life-saving measure in severe asthmatic attacks and in certain shock conditions. Liver extracts give new life to sufferers from pernicious anemia.

The most outstanding recent development in biologicals is ACTH, and its chemical cousin, Cortisone. Once derived from animal material, but now synthesized chemically by Armour Laboratories, it also is a life-saving medicament. It interrupts acute attacks of ulcerative colitis, relieves severe forms of allergy, combats certain mortal infections. It is a dramatic alleviant of symptoms in rheumatoid arthritis. These are only a few of the many vital aspects of the biologicals.

Today, G. D. Searle & Company is famed for more than its pioneering work in the arsenicals. Searle scientists have produced Metamucil,

a non-cathartic drug which revised previous concepts of the treatment for constipation. They developed Dramamine which so effectively reduces air- and sea-sickness that it is ordered in vast quantities by the armed forces of the United States. Aminophyllin is used in the treatment of heart disease, where its relaxing effect on the coronary vessels often makes it a life-saving tool. Searle has joined the continuing battle against asthma, hay fever and like allergies with the antihistamines has developed Pavatrine, for use in gastrointestinal and bladder spasms as well as dysmenorrhea. One of Searle's contributions was Diodoquine, whose development grew out of an epidemic of amebic dysentery at the Chicago World's Fair of 1933; it has since become a standard treatment for this disease.

New Products

A list of the products spawned and nourished at Abbott Laboratories in North Chicago reads like a brief history of American medicine. In the '20's Abbott produced Neonal, a barbiturate; Metaphen, a compound for the sterilization of skin and wounds; Bismarsen, for treatment of syphilis; and Halivite Oil products from halibut liver.

In the next decade came Nembutal, short-acting sedative and hypnotic; Dulcet tablets, the first group of medicines in candy form for children; Cofron for treatment of secondary anemia; Pentothal, for intravenous anesthesia and hypnosis; aid in psychiatric interviews; and Klotogen, a natural vitamin K preparation for improved coagulation of the blood.

In the 1940's Abbott brought out Diasone, a chemotherapeutic drug for leprosy; Tridione, the first anticonvulsant effective in minor seizures of epilepsy; Aerohalor, an inhaler for penicillin dust; and radioactive isotopes, combined with established drugs, for hospitals and research institutions.

The modern pharmaceutical house is a city of scientists. Each firm has its team of trained engineers, physical chemists, biochemists and M.D.'s, working together. They work in a campus atmosphere comparable to that of a university. Facilities include protected laboratories for the study of radioacti-

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isotopes, operating rooms for experimental surgery on animals, and manufacturing buildings where drugs are processed, stored, tested and packaged. These house mammoth mixing machines, and microanalysis equipment so tiny that the contents of an entire laboratory can be held in a man's hand. There are precision instruments that can measure to one millionth of a gram whose readings must be taken under a sighting telescope. In one room all the climate conditions in the United States can be reproduced.

Raw Materials

Into such well-equipped, well-ordered cities of science come the raw materials . . . the milk sugar from rich Wisconsin dairylands; rolls of gold foil from the Yukon; demijohns of perfume oils from France; deadly curare from the Upper Amazon; crocus seeds from North Africa; tank cars of fish liver oils from Japan. Under the supervision of expert chemists they are compounded in glass-lined tanks, filtered through porcelain filters, washed in distilled water, and placed in sterile ampoules hermetically sealed by hot flame.

Once in their final forms, the ampoules, liquids, tablets and capsules must pass exacting tests for identity, potency, purity, and uniformity. Failing in any phase of the test, the entire lot is rejected. Packaging is done with extreme care and is itself a subject for research. Containers and stoppers are tested to assure that they are compatible with the drug and will not alter it chemically or be altered by it.

After passing all inspections, the drugs are ready to be packed into great wooden crates destined for Cairo, Bangkok, London, Antwerp, Manila, and other far away places for Chicago pharmaceutical houses to supply all the free world with healing products.

The list of Chicago based producers of drugs is extensive, including such names as J. B. Roerig and Company, a division of Charles Pfizer and Company; Cutter Laboratories, and many others. All the famous names in pharmaceuticals are, in fact, represented in Chicago at least by sales offices and stocks of life-saving drugs ready for quick shipment in an emergency.

Cosmetics Going Strong After War Boom

Built On Imagination And National

Advertising, The Industry Has Created Thousands
Of Indirect Jobs As Well As Glamorizing The Ladies

TIP to wives. Anytime friend hubby declares cosmetics are non-essential, don't argue. Simply refer him to Uncle Sam.

Cosmetics were officially recognized as an essential product, important for morale, during World War I. As a consequence, alcohol, an important base for perfumes, toilet waters and colognes, was rationed but not cut off to the industry.

Back in 1770, the Commonwealth of Pennsylvania placed a statute on its books that gave a man grounds for annulment of a marriage if it could be proved that a wife had in courtship deceived and misled her prospective husband by using cosmetics. Today a woman who doesn't wear cosmetics can hardly hope to lure a husband let alone keep one, and the man who never brushed face powder from his coat or wiped lipstick stain from his face would be difficult to find.

Old As Man

Cosmetics are as old as man, but the industry in the United States as well as Chicago was small prior to World War I. It was then that national advertising came to the fore, and it is national advertising that put cosmetics manufacturers in business—big business—and lifted sales from a top of \$24 million prior to World War I to a cool \$1 billion last year.

Cosmetics were used by American women in the pre-war era, but powder was applied in the boudoir and rouge if used was daubed on surreptitiously. Better cosmetics, like delicate fragrances, were imported or the most part and expensive.

The war cut off imports and

boomed all industry. Wages soared, the number of female wage earners multiplied, and an era of free-spending born of wartime prosperity opened a market many times greater than before.

As a direct employer the cosmetics industry is insignificant. In 1947, for example, the latest year for which regional figures are available, the average annual number of employees engaged by the 87 manufacturers of toilet preparations listed in the Chicago area by the Census Bureau was 2,316. Of the total, only 1,476 were production workers. Fifty years ago the Chicago classified telephone directory listed 15 such establishments in the city.

Indirectly, Chicago's cosmetics industry has created thousands of jobs and added millions of dollars to the profits and payrolls of department and drug stores, beauty salons and such advertising media and allied industries as radio, television, newspaper, magazine, printing, engraving, photographic and modeling.

At the same time that it has beamed its message via radio and television, it has provided hours of entertainment. There is no breakdown of the amount spent on radio and television advertising by Chicago area manufacturers, but the toiletries and toilet goods industry as a whole in 1953 expended close to \$62.5 million for radio and television network time alone.

The soft strains of Wayne King's orchestra over the radio carried Lady Esther face powder to first place in sales. Established in Chicago more than 35 years ago, the company pioneered in the development of fine-texture powder and still outsells every other brand.



Chicago's Lady Esther talc is what keeps this fetching young lady cool in summer



James L. Younghusband is the cosmetics genius behind the success of Lanolin Plus

Kiss Proof became a household word and popularized the use of lipstick. The promotion and merchandising genius behind it was James L. Younghusband of Chicago, now chairman of the board of Consolidated Cosmetics, Inc., distributors of "Lanolin Plus," and also active in International Cosmetics Co.

Younghusband was the first to use color to sell color when he launched the Chen Yu line of nail lacquer in 1941. He also dared to include a green and a blue lacquer in the Chen Yu line. The green and blue didn't sell but they helped to make women color conscious, both in the use of hand cosmetics and matching nail polish and lipstick.

The original idea of "harmonized"

make-up was introduced by Princess Pat, another famous Chicago name in cosmetics. It was picked up by other firms and led to the now familiar complete make-up kit.

Maybelline has become synonymous with eye make-up since the establishment of the company here 35 years ago. Helene Curtis Industries made its debut in the retail field seven years ago with Suave, a lotion type hair dressing, and the company was the first to introduce a hair spray to American women. Spray Net was also the first hair product to use the aerosol dispenser and is a five to one leader in the hair spray field, a multi-million dollar business.

Helene Curtis Industries is the world's largest exclusive manufacturer of products for the hair and was founded in Chicago 27 years ago. Up to the establishment of its retail division, the company served the professional beauty parlor trade only.

The first home permanent kit was introduced in 1943 by Kolar Laboratories under its own label. Kolar, one of the larger private label manu-

facturers of toilet preparations in Chicago, has been in business since 1910. The company had made a home permanent under private label for Sears Roebuck prior to 1943. Toni, now headquartered in Chicago, brought out its fabulously successful home permanent in 1944.

Home Permanent Kits

Toni has sold 250 million home permanent kits, and including its Tonette, Prom, Bobbi and Silver Curl, now accounts for 70 per cent of total sales of home permanents. Its White Rain holds second place in sales among lotion shampoos in the United States. In August, 1954, Toni expanded its line with the addition of a lipstick and a facial cleansing lotion.

"Poof, there goes perspiration." Poof, a deodorant body powder, is one of the latest products out of the laboratories of Jules Montenier, Inc. Dr. Montenier, a chemist, and former professor in Geneva, Switzerland, is generally conceded by the industry to have done more to build

up the deodorant and anti-perspirant market than any other man in the industry. He developed "Fiv Day," the first impregnated pad deodorant and anti-perspirant, which was launched by Younghusband in 1937 and still leads in its field. Montenier also developed Stopette, the first spray deodorant and anti-perspirant, introduced in 1947. He developed simultaneously the polyethylene squeeze bottle that made packaging history. The trade publication, MODERN PACKAGING, declares the "squeeze bottle" has done for many liquid and lotion-style products what the metal tube did for tooth paste.

Men's toiletries and toilet goods have always constituted a sizeable market. In recent years growing use of toilet preparations by men, encouraged by such establishments as the House for Men, Chicago, one of the three top manufacturers of men's toilet preparations. The company makes 135 different items under the trademark, "His," including shaving lotions, talcum powder, face powder, soap and cologne. House for Men is 15 years old.



SIRLOIN ROOM

"where the steak is born"

Select and brand the aged, prime steak of your choice from the fabulous STEAK THRONE. Custom broiled to your taste. Complete menu of favorite dishes . . . MODERATE PRICES. COMPLETE BANQUET FACILITIES

42nd and Halsted Streets • YArds 7-5580 • Chicago 9

the Matador room

To receive an aesthetic as well as a gustatory experience, THE MATADOR ROOM provides authentic atmosphere and a menu of excellent continental cookery. Fine wine menu.

STOCK YARD INN



CHICAGO AT THE FOREFRONT OF PACKAGING REVOLUTION

By Phil Hirsch

AT the turn of the century packaging was still largely an undeveloped art. In food this was the era of the pickle crock, the cracker barrel and the butter tub. Metal containers were mainly curiosities. The tin can was mistrusted by housewives who feared the contents might be contaminated.

Containers and packaging are still in a state of evolution, but the advances in the past 50 years have been colorful and practical, and have changed the buying habits of millions of retail customers. Industrial packaging, too, has changed to the point where boxes of all types of machinery and related items are advertisements for their contents.

And Chicago, with many of the leading producers of metal, paperboard, fiberboard and plastic containers, is the center of this interesting industry. The giant American Can and Continental Can companies (metal containers) have plants here, and Chicago is headquarters for Container Corporation of America (paperboard containers). General Packaging Corporation, largest manufac-

turer of egg cartons and egg packing equipment, also has its headquarters here, and one of its five carton factories is in nearby Hammond. The largest plant devoted exclusively to the manufacture of fiberboard shipping containers—the 275,000 square foot headquarters plant of Stone Container Corporation—

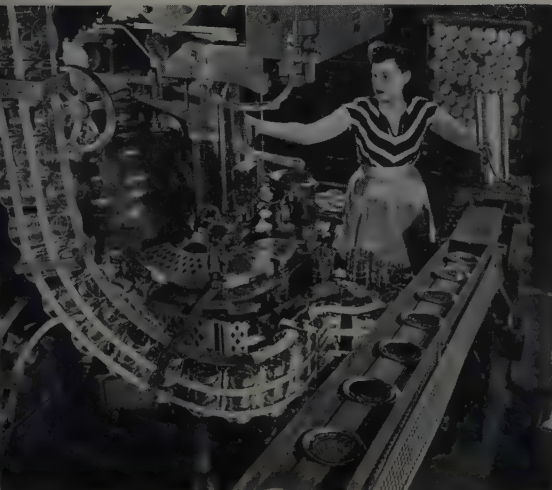
also is in Chicago. Here, too, is the largest single concentration of carton manufacturers, some 50 firms which employ 15,000 persons and sell nearly \$200 million of containers a year.

Virtually every item in the American home has been transferred to a new package in the last few decades. Leaders in the revolution have been the packaging technician, who has found new and better ways to protect and preserve a product, and the housewife, whose enthusiastic acceptance of self-service merchandising made it imperative to produce a package that would sell as well as store a product.

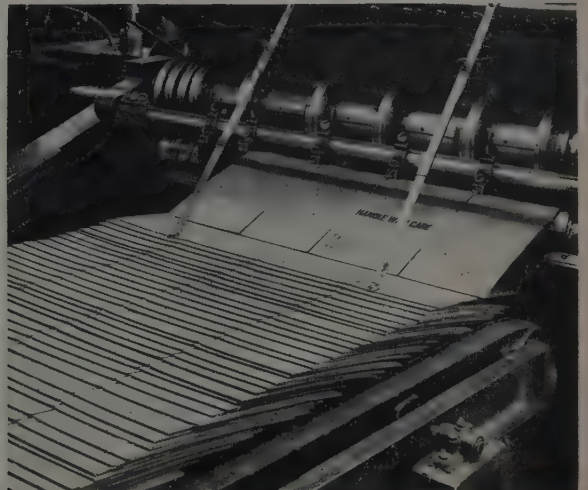
For the manufacturer, this packaging revolution has created a problem. There used to be a time when all he wanted was a given packaging material of given dimensions and strength. Today, things are no longer that simple. Picking the right package is a science, calling for specialists trained in everything from engineering to psychology. Unless the manufacturer presides over a farflung industrial empire, he must



This display box for plastic planters was made by Acme Paper Box Co.



cutting bottoms on metal cans



American Can Co. photo Chicago is a leading maker of paperboard boxes Korth photo

usually look for the specialized training outside the four walls of his plant. Many firms in such a situation have come to Chicago, for here they have found some of the most successful and original designers of packaging.

Packaging Evolution

The most graphic illustration of the evolution in packaging is provided by the can. About 1900 the can makers were small entrepreneurs who operated in side street shops and small factories. The housewife who mistrusted their products often had real justification. Cans were filled by boring a hole in the top and pushing or pouring in the substance to be stored, then attaching a cap. Often, after remaining in the can for a while, the food reacted with the metal, or it was contaminated by air leaking in through the cap or the soldered end seams.

Meanwhile, improvements in agriculture were increasing food production to the point where surrounding areas could no longer consume it all. People were moving to the cities, and with this change came a need for a package smaller than the barrel and the

improvements in can fabrication—notably the development of double-seamed and sealed ends, and better side seam construction—as well as the discovery of new lining materials, made the can sanitary and paved the way for canning a tremendous number of new food and non-food items. The mechanization of the can-making process, especially the development of automatic can-closing and high-speed printing machines, reduced the price of the can to the point where it represented only a small percentage of the cost of the merchandise inside.

As a result of these changes, can-making speeds have increased from about 60 a minute in 1900 to as high as 450 a minute today. Printing, a process which sometimes took hours 50 years ago, is now accomplished at speeds of up to 100 sheets of plate a minute. Meanwhile, the number of canned products has increased to several hundred. Canned fruit and vegetable juices, for example, were unknown as late as 30 years ago. Last year, the juice pack amounted to about 700 million gallons. Among the other products that have entered metal containers in the past 50 years are shortening, coffee, ham, sardines, baby food,

pany, and Continental Can Company. Both have their largest research facilities here, as well as sizable production plants.

In recent years the familiar tin can has met strong competition. Worried about the gradually diminishing supply of tin (the experts predict that, at present consumption rates, it won't last more than 10 years), and the fact that it has become so far (largely from the Malay Peninsula), the nation's canmakers have been hard at work searching for a replacement. They have made much progress, largely with the aid of plastics, which are now being used in can coatings and can solder. Today, the industry is using 33 per cent more steel than it did in 1941, but 20 per cent less tin. Tinless cans already have been developed for motor oil.

Cans For Soft Drinks

Continental Can, which has four plants, research headquarters, and 7,500 employes in Chicago and its environs, has been developing a metal can for soft drinks. Present production of this can is sizeable. The company thinks it can sell a billion soft drink cans next year, enough to package about five per cent of the soft drinks sold in containers throughout the United States.

American Can, represented in the Chicago metropolitan area by several factories, research headquarters, and a work force of about 7,000, developed the first metal beer containers.

This contribution to the packaging art required the finding of solutions to two major problems: First, the development of a container that would withstand pressures of up to 80 pounds per square inch that developed during pasteurization, and second, the finding of a lining that wouldn't affect the taste of the beer. Canco scientists solved both problems, and today some five billion cans are used by brewers each year.

A recent survey by Stone Container Corporation disclosed that a shipping carton can be a "traveling billboard" that may have as many as 625 viewers. This confirmed the judgment of many manufacturers who now ship their products in paper containers that are attractively printed, in color, with the manu-



Visking Corporation of Chicago is the world's largest maker of plastic casings for food

sack; a package a woman could carry easily from the store to her home.

The can answered both these problems when it was developed into a sanitary, safe, mass-produced item during the next 50 years. Im-

provements in can fabrication—notably the development of double-seamed and sealed ends, and better side seam construction—as well as the discovery of new lining materials, made the can sanitary and paved the way for canning a tremendous number of new food and non-food items. The mechanization of the can-making process, especially the development of automatic can-closing and high-speed printing machines, reduced the price of the can to the point where it represented only a small percentage of the cost of the merchandise inside.

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and a wide variety of non-food items ranging from tennis balls to anti-freeze.

The leaders of the can-making renaissance during the past half-century have been the two giants of the industry—American Can Com-



CHICAGO—cradle of a modern miracle

In 1904 when American Can Company became a charter member of the Chicago Association of Commerce and Industry, a shopper could buy a few products in shiny metal cans. For Canco people here were already at work providing the containers that were the forerunners of a packaging revolution.

But, at that time, who could guess the scope of the container miracle to take place in the next 50 years . . . the major part of it right in "Chicagoland" under Canco's industry-wide leadership . . . making the "tin can" an indispensable product of our age, and bringing better living to an entire people.

Scientists at American Can Company's Research Laboratories in Maywood are proud of the assistance they have given in the development of new containers.

Thru the years, the continuing stream of ingenious containers pioneered by Canco has included such items as cans for vacuum packed vegetables, fruit juices, beer and ale, motor oil, vacuum

packed coffee, shortening, ham, luncheon meat, blood plasma, tennis balls, flat-top milk containers, salt containers with spouts, composite fibre and metal frozen food containers . . . and many, many more.

And in Chicago, too, Canco has centered an important part of its manufacturing facilities. There are thirteen Chicago-area installations of American Can Company, employing 7,000 people who make billions of containers yearly for the busy canners and packers nearby.

Yet all this is but a foundation. In the tradition of The Chicago Story, we are looking ever forward. For ours is an effort to achieve even greater miracles of service that will be of benefit to all.



Containers . . . to help people live better

American Can Company 

facturer's name, trademark, and other advertising material.

The container industry is one of the most competitive, with the result that imaginative new ideas for exploiting the advertising value of the shipping carton have been produced by other companies with Chicago operations, such as Lanzit Corrugated Box Company, Gaylord Container Corporation, National Container Corporation and Hankins Container Corporation.

Fully as important as the conversion of the shipping carton into a traveling billboard has been the improvement in its ability to protect and preserve the product. A significant advance is the blueberry box perfected by American Boxboard Company here. This container features improved ventilation and an extra heavy corrugated board that resists humidity. Inland Container Corporation's roller chain box, which replaced the traditional wood storage spool with a lighter one made of corrugated board, and International Paper's nail box, the first corrugated shipping container to be accepted by the nail industry,

are additional examples of Chicago's leadership in shipping container design.

The packaging industry's effort to make its product sell, as well as protect the merchandise inside, has reached a peak in the self-service store. Compare the packages on the shelves of a modern supermarket with those that were in food stores 20, or even ten years ago, and it is clear that there have been many changes. Among them is the use of several new package shapes—the traditional rectangle has been converted into long, flat bricks, narrow, high tubes, and a multitude of variations.

Brighter Colors

Brighter, more varied colors are being used today—pastels, for example—to attract the retail store's number one customer, the housewife. Metallic foil, laminated to the paperboard base stock, gives many products a compelling gift appeal. There are new types of package openings—tapes, slits, and perforated panels; new kinds of liners, espe-

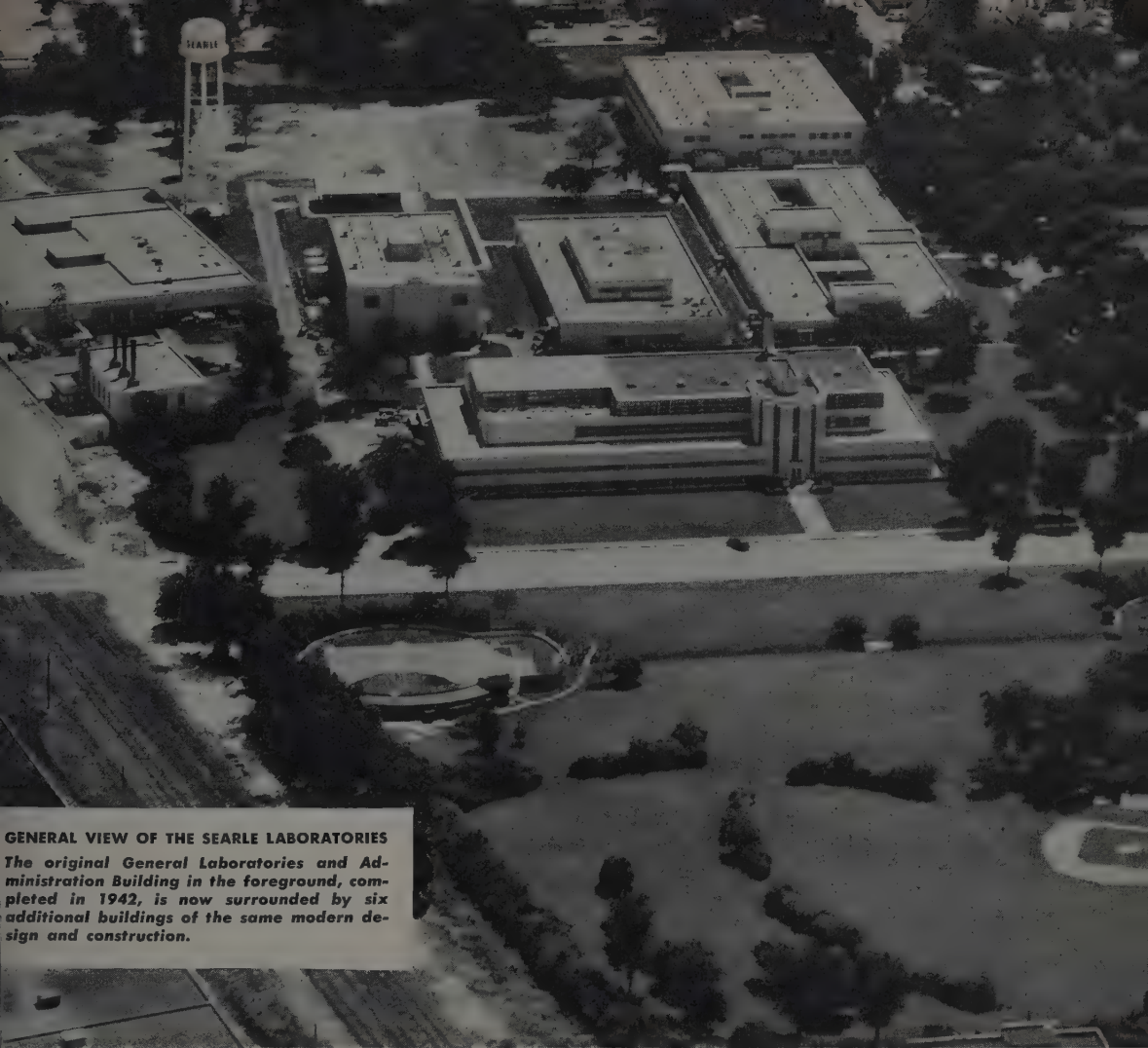
cially in food packaging, and new constructions which have improved the package's value as a counter or shelf display piece.

One of the best examples of the new look in cartons is the box designed by Chicago's Ace Carton Corporation for a manufacturer of cotton daubs. Formerly the product was packaged in a severe white box printed with a few lines of uninspiring type listing the manufacturer's name and the name of the merchandise. Now the box is in pastel colors and its attention-getting value has been increased by illustrations of the product in a contrasting color.

For a manufacturer of planter boxes, another Chicago packaging firm, Acme Paper Box, designed an insert which is placed in the box in such a way that the potential buyer sees a plant growing out of the planter. Chicago Carton has developed a family of unusually-shaped boxes for a nationally known brand of crackers. One of the leading experimenters with foil laminates is American Coating Mills, a division of Robert Gair Company, which has

*Serving Industry...
Serving America*

**CONTINENTAL
©
CAN COMPANY**



GENERAL VIEW OF THE SEARLE LABORATORIES
The original General Laboratories and Administration Building in the foreground, completed in 1942, is now surrounded by six additional buildings of the same modern design and construction.

Ethical Pharmaceuticals Since 1888

FOR two-thirds of a century, the pharmaceutical products of Searle Research have supported American physicians in the conquest of disease and suffering. Searle products are promoted only to the medical profession and are dispensed, on physicians' prescriptions, only through pharmacies and hospitals.

G. D. **SEARLE** & CO.



100 YEARS



1855-1955

Above you see

Baird & Warner (then Baird & Bradley) as it appeared in the "land agent" days of 19th century Chicago. On the left is our present modern structure. Chicago and Baird & Warner have reached maturity together—they've both learned lessons that only a century of fires and panics and booms can teach. A picturesque past, a progressive century. And now, a dynamic future.

BAIRD & WARNER, INC.

215 N. Dearborn Street, Chicago

its headquarters and largest plant here. ACM is using foil extensively in its food and cosmetic packages.

Plastics possess at least two major advantages which have made their use as a packaging material rise like a rocket. Plastics can provide a durable, transparent package, and, for many applications, superior protection against product deterioration. One of advertising's cardinal rules is that the best sales message for a product is the product itself, and the transparency of plastics has made it possible for packagers to fit this axiom to a host of retail products.

Dramatic Rise

Of all the new packaging materials, polyethylene has probably had the most dramatic rise. Introduced in 1942, it was being produced at a rate of over 200 million pounds annually 10 years later.

Polyethylene's big markets are in the meat and produce industries. The Visking Corporation, founded here in 1925, was first to extrude polyethylene, during World War II, today at a plant in Terre Haute, Ind., the firm manufactures polyethylene, vinyl, and saran casing that are wrapped around a variety of cold cuts. Visking is the world's largest manufacturer of food casing.

The Crystal Tube Corporation on Chicago's northwest side is another leading supplier of polyethylene, as well as cellophane, pliofilm, and saran, to the meat, poultry, bakery goods, and produce industries. Crystal's bags, envelopes, and tubes are also seen around underwear, shirts, handkerchiefs, and other department store items.

The world's largest wirebound box manufacturer, General Box Company, headquarters in Dan Plains. Wirebounds, used in shipment of everything from automobile parts to fresh vegetables have undergone numerous changes in recent years. The most important of these innovations are the development of thinner, lighter wood slats and the improvement of wire fastenings. Three other wirebound box makers have facilities in the Chicago area: Chicago Mill & Lumber, Maxwell Bros., and Rathborne, H. and Ridgway Box Company.

Packaging has come a long way since the days of the cracker barrel and the hoghead.



CHICAGO'S A WONDERFUL HOME TOWN



WE'RE GLAD IT'S OURS. MARS INC.

MAKERS OF

MILKY WAY

FOREVER YOURS

MARS COCOANUT BAR

SNICKERS

MUSKETEERS

MARS BAR

MARS, INC. began operations in its "show place" Chicago home in 1929. With the MILKY WAY Candy Bar leading the way, sales soared to the point where today MARS is the largest maker of chocolate-covered candy bars in the world and MILKY WAY, the largest seller.

Building Materials — 1,200 Area Firms

Chicago Companies Produce Virtually Every Construction Item

PRACTICALLY every building material need of the contractor can be supplied right off the griddle in Chicago.

From reinforced concrete foundation to asphalt topped roof of the smallest dwelling or the tallest skyscraper, more than 600 different items are used in construction, and virtually all are made in the Chicago area or by Chicago headquartered companies. The major exception is structural glass.

Approximately 1,200 establishments in the Chicago area produce building materials of one kind or another. Some idea of the variety of product and Chicago's importance in the building materials field can be gained from the following:

As a fabricator of steel products, the Chicago area turns out structural shapes, plates, hot rolled bars, concrete reinforcing bars, galvanized sheet, and pipe. Conversion of one of Inland Steel Company's mills to production of wide flange beams will give Chicago two out of three such mills in the country. The other in this area is operated by United States Steel Corporation. The wide flange beam is superseding the conventional I beam and expanding the use of steel in both residential and non-residential construction.

Galvanized Sheet

Chicago also has taken the lead in production of continuously-galvanized sheet. The new continuous process results in a superior product, adaptable to a great many more uses than that produced under the old-style method of "hand" dipping steel sheets in molten zinc baths.

Among other important fabricators of metal products is Reynolds Metals Products Company. Its LaGrange aluminum rolling mill, largest in the country, manufactures corrugated roofing and siding. Ceco Steel Products Corporation, largest independent fabricator of concrete reinforcing steel, is an important factor in the production of alu-

minum windows. Other Ceco products include roof and attic ventilators, welded wire fabric, metal lath, industrial steel doors, zinc moulding, screens, adjustable shores, ventilators, and column clamps.

James B. Clow & Sons, with headquarters here, has long been a major producer of cast iron pressure pipe and fittings. Established shortly after the great Chicago fire of 1871, Clow started business as a jobber of plumbing and steam fitting supplies. The company originated the pay toilet, first introduced at the Chicago World's Columbian Exposition in 1893 to help finance construction of the exposition's sanitary facilities.

Lead Products

National Lead Company's two plants in Chicago turn out approximately 2,000 tons of ingot lead, lead pipe and other lead products annually. The company also has a paint plant here. Other leading manufacturers of paint and paint materials with large plants in the Chicago area are Sherwin Williams, Pratt & Lambert and Chicago-headquartered American-Marietta Company.

Crane Company, which will celebrate its centennial in 1955, has long been a giant in the production of valves, pipe and pipe fittings. Crane maintains 15 separate manufacturing plants and warehouses in Chicago alone. In addition to being the world's largest manufacturer of valves, piping and fittings, it is one of the leading manufacturers of kitchen and bathroom plumbing fixtures, and residential heating equipment. Lately, Crane has entered the air conditioning field. The observation made by *Fortune Magazine* almost 20 years ago still holds true: "Wherever you find construction afoot, there you will almost certainly find a customer of Crane —suburban developments, federal housing projects, dams, factories, shipyards, locomotive works." Even

the desert home of the king of Saudi Arabia has Crane plumbing.

The Electric Association reports that Chicago has passed Bridgeport Conn., as an electrical product center in the last few years. Wire cables, switches and a multitude of fittings and equipment items are made in the Chicago area. Appleton Electric Company, for example, is a major Chicago producer of incandescent fittings, and is also one of the largest manufacturers of industrial lighting equipment. There are close to 200 manufacturers of lighting equipment and fixtures in the Chicago metropolitan region.

High wage demands and labor difficulties have lost Chicago a number of hardware plants in recent years. Several firms formerly located here have moved down state or out of state, chiefly south, but Chicago is not without manufacturers in this field.

The largest nail mill in the world is located at Joliet and the large wire mill at Waukegan. Both are owned by American Steel & Wire, a division of United States Steel Corporation. American Steel & Wire also makes welded mesh used in reinforced concrete, at Joliet, and door springs at Waukegan. Its stainless steel wire mill in Waukegan, built six years ago and with a capacity of 500 tons a month, is one of the largest and most modern.

Wire Products

As might be expected, the Chicago area leads in finishing capacity of wire and wire products, including plain wire, galvanized wire, nails and staples, barbed wire, woven fence and reinforcing fabric.

Johns-Manville's two largest plants are identical in size, and one of them is located in Waukegan. The 240-acre plant employs 2,500 and produces just about every J-M product except those made from wool fibres. One of the major products of the Chicago area plant is sou-

Make Them!

roofing material, in which the company was a pioneer.

A second Johns-Manville plant is located on Chicago's south side. It is operated by the subsidiary Van Leer Corporation, and it manufactures rubber products of many kinds including adhesives, cements, and compounds for the automotive and electrical trades. The importance of Chicago as a market and as a sales center for the Middle West is indicated by the fact that the clerical staff of the J-M district sales office in Chicago totals 200. The company has 19 sales-engineers, architect representatives, and dealer representatives covering the Chicago metropolitan area alone, and its sales in this area run about \$10 million annually, including sales of products other than building materials.

Hardware Manufacturers

In Glynn-Johnson Corporation, Chicago has one of the largest manufacturers of door and wall protection hardware in the country. Its products are sold throughout the United States, in Canada and Latin America. Payson Manufacturing Company makes builders' hardware and door trims—sash locks, doorstops, coat and hat hooks, mechanical sash operating devices, stock push and pull bars and special door trim, among other hardware items. Statistics of the Census Bureau show that Chicago has 64 hardware manufacturers.

Oil burners, bolts, nuts, washers and rivets, brackets, brass and copper shapes, drains, ducts, fences, grates, grilles, incinerators, radiator vanes, laundry tubs and radiators are among other fabricated metal products made in the Chicago area. American Radiator and Standard Sanitary Corporation, the world's largest producer of sanitary ware and heating equipment, has a Lake Island plant which makes steel sinks, wall and base kitchen cabinets.

Unlike some important building



Ewing Galloway



U. S. Steel



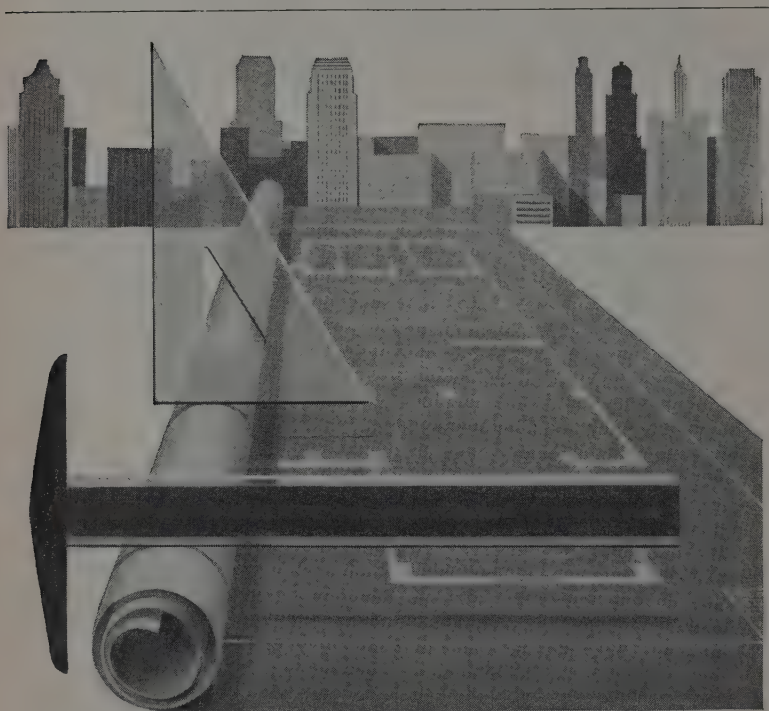
Korth

The Chicago building material industry does an international business and its builders, in addition to building Chicago, also carry on far flung operations

materials (steel, lumber, glass), virtually all the demand for portland cement comes from construction. Cement is a regionally produced and distributed product because of weight and bulk and because clay and limestone are found in all sections of the country. Output of any one plant is generally confined to a market area within a 125-mile radius.

Chicago is a principal market for Universal-Atlas Cement Company and Marquette Cement Manufacturing Company. Some idea of the

comparative size of the Chicago regional market may be gleaned from the fact that Universal's Buffington, Ind., cement plant is reputedly the world's largest and Marquette's Oglesby, Ill., plant is the company's largest with an annual capacity of four million barrels. Marquette was founded 56 years ago and has its headquarters in Chicago. Alpha Portland Cement Company and Lehigh Portland Cement Company have plants in LaSalle, Ill., which also serve the Chicago area.



blueprint of the future

And what a tremendous future it is when it concerns industrial Chicago!

The American National Bank, through constructive financial cooperation with forward-looking executives, is playing a major role in Chicago's progress.

May we be of service to you?

American National Bank and Trust Company of Chicago

LA SALLE AT WASHINGTON, CHICAGO 90, ILLINOIS

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Fifty years ago, cement was shipped in wooden barrels. Now it is packed in paper sacks and its use has expanded greatly. Nowhere is this more apparent than in the shift from brick in building and other construction. At one time there were between 30 and 40 brick yards in Chicago. Today there are eight. Cement and concrete, poured or laid in blocks, have replaced brick to a considerable degree for foundations, streets, and highways and in residential, commercial and industrial buildings.

As recently as 15 years ago, building codes ruled out concrete blocks in building construction. Since then Chicago has become the largest producer of these blocks in the Middle West. Ready-mix concrete is another comparatively new product that has developed into a major industry here. It was not until 1946 that union construction workers finally acceded to the use of ready mix in the Chicago area. Material Service Corporation, which quarries its own sand and gravel, is now the largest manufacturer of ready-mix concrete in the country.

Lumber Market

Up to the turn of the century Chicago was the leading lumber market in the United States. It has tremendous yards along the Chicago River, and lumber hauled by water from Michigan and Wisconsin went out by train loads to build up the west.

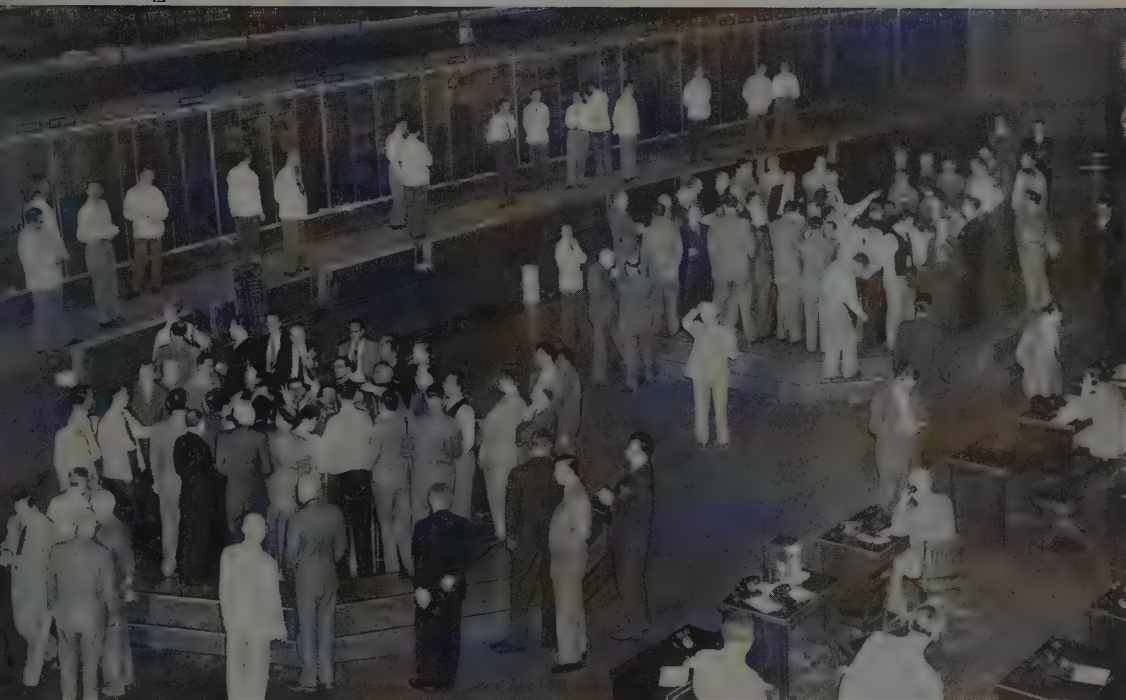
Edward Hines, founder of Hines Lumber Company, Chicago, was a pioneer in the movement that has eliminated wasteful practices and has conserved and preserved millions of acres of timberlands for future generations. Hines is one of the oldest and largest lumber manufacturers in the country. It operates the large Ponderosa pine mill in the world, Oregon, in addition to a Douglas fir and a plywood mill. It also has a mill in Berland, Mich.

Joseph Lumber Company, also among the largest, has been in the field for 40 years. Lord & Bushong Lumber Company specializes in heavy construction lumber.

Herman H. Hettler Lumber Company, established in 1887, deals in industrial, crating and building lumber wholesale and retail.

Package loading of lumber ori

THE CHICAGO MERCANTILE EXCHANGE



The world's largest and fastest growing
futures market for
Eggs, Butter, Onions and Other Commodities
and the only futures market
for Scrap Steel

THE CHICAGO MERCANTILE EXCHANGE

110 N. FRANKLIN STREET
CHICAGO 6, ILLINOIS

*THE NATION'S
MARKET PLACE
FOR EGGS, BUTTER AND
OTHER COMMODITIES*

"Was I lucky . . .



to be born in Chicago!

Some of the world's finest medical facilities got me off to a flying start.

I can choose an education from schools, colleges, and universities unmatched anywhere.

Incomparable art galleries, theatres, music centers and libraries will smooth down my cultural rough edges.

Magnificent churches, temples, and cathedrals representing the religions of mankind remind me I can't live by bread alone.

When I have to take my place in the business, industrial, or professional world, Chicago will welcome and reward me if I'm willing to learn, work, and persevere.

Yes, sir! I was sure lucky to be born in Chicago!

BURNY BROS., INC.

BAKERS

4600 W. Chicago Avenue

EStebrook 8-7000

nated in Chicago. It is a service whereby every piece of lumber required for a house goes out in a complete load, so arranged that when the lumber is dumped, each item is in the sequence in which it will be used.

While there are 95 millwork plants and 105 manufacturers of millwork and related products in the Chicago area, their distribution is strictly local. All special millwork is produced locally but is less than half the dollar volume of stock millwork.

Hardwood Industry

Chicago is an important operating center for the hardwood industry. The Hardwood Plywood Institute, the Mahogany Association, Veneer Association, and Maple Flooring Association are all located here.

As headquarters of Celotex Corporation, United States Gypsum Company and Masonite Corporation, Chicago occupies a dominant position in the hardboard and gypsum products field.

Celotex is a leading manufacturer of insulation-acoustical gypsum, roofing and hardboard. Masonite is the largest domestic producer of hardboard and founder of the industry, for it was the experiments of William H. Mason that led to the development of hardboard 30 years ago.

Undisputed leader in the gypsum products field, U. S. Gypsum accounts for almost half of all domestic wallboard and plaster requirements, between 15 and 20 per cent of metal lath, and handles a wide variety of other construction materials. From its research laboratories have stemmed major developments which mirror the progress of the entire gypsum industry. Gypsum has added almost a hundred new products to make the basic structure of buildings better and safer.

Both the Insulation Board Institute and the two-year-old Hardboard Association have their headquarters here.

In number of plants and in volume of production of asphalt roofing, the Chicago area is perhaps second to none. Fifteen to 16 plants are located here. Ruberoid Company's plant at Joliet makes asphalt

insulated siding and asphalt roofing shingles. U. S. Gypsum has an asphalt roofing and siding plant in Chicago, and Flintkote Company has one of the largest in the country at Chicago Heights.

The Chicago area also ranks near the top as a manufacturing center of asphalt tile and vinyl asbestos tile. Tile-tex division of Flintkote is a leader in the industry, has its largest plant in Chicago Heights. Johns-Manville's Waukegan plant also produces asphalt tile and vinyl asbestos tile.

Asbestos and asbestos products for heat and frost insulations are supplied by more than a dozen Chicago area plants, including Standard Asbestos Manufacturing Company which operates the only asbestos paper mill in the city. Standard founded in Chicago in 1906, also makes and installs pipe and boiler coverings.

Automatic Controls

Minneapolis-Honeywell Regulator Company, pre-eminent in automatic temperature and other controls, makes 20 per cent of its total dollar volume of automatic controls for commercial buildings and institutions in Chicago. The company recently purchased 15 acres in Morton Grove for plant expansion.

Powers Regulator Company, maker of automatic temperature, humidity and pressure controls and recorders, has its general office and factory in Skokie.

United Wallpaper, Inc., at Aurora, is the largest manufacturer in its field. The company accounts for 25 per cent of all wallpaper sold in the United States. Globe Mill Inc., in Chicago, and Joliet Wallpaper Mills and Lennon Wallpaper Company at Joliet, help to make the Chicago area a major producer of wallpaper.

Shades, blinds, awning, mirror carpeting, hydrants, skylights, mail boxes and drops are among the host of other products manufactured by firms in the Chicago region.

"Everything for the builder" is a slogan that fits Chicago like other major industrial centers of the world.

Chicago Is The Style Setter In Furniture



The new contrasts sharply with the old (below) in living room furniture. Here modern and traditional designs are gracefully blended for beauty and comfort

One-fifth of nation's manufacturers are in this area

EVERY June and January 25,000 to 35,000 furniture manufacturers, buyers and dealers descend on Chicago's Merchandise Mart and American Furniture Mart to decide what furnishings will be offered to American homemakers in the ensuing six months.

These Spring and Fall Markets are one of two reasons why Chicago is the furniture center of the world. The other main factor is that some 100 of the 3,000 furniture manufacturers in the United States are located in the six-county Chicago industrial area. Many of these local firms are rated as the largest manufacturers of certain types of furniture and bedding.

The professional visitors to each trade show are approximately equal in number to the people employed in the furniture industry here. These workers turn out more than 2.5 million pieces of furniture annually, with a value in excess of \$200 million.

Chicago offers a front seat view of the evolution of the furniture industry in this country. It was here

that the present-day furniture market was born. It was here, also, at the city's second world fair, A Century of Progress, in 1933, that Modern furniture was introduced to the American homemaker. And it was here that prefabrication and conveyorization — trademarks of the 20th century assembly line technique — were first applied to furniture, taking it from an artisan past to a mass production future.

Power Machinery

By 1900 the basic ingredient in the mass production system, power machinery, had entered Chicago furniture factories. But even with the increased use of the machine, household furniture remained largely a hand-made product and a one-man operation. Each worker usually sawed and planed the parts of a sofa or chair frame, assembled them, added upholstery, and then covered the piece. It was 30 years or more before this process changed considerably in the wood furniture industry. As late as 1935 workers at



This sturdy but uninviting oak chair was a best seller in 1924

Kroehler Manufacturing Company carved their names in chair and sofa frames, in the tradition of 18th century artisans.

While Kroehler is generally credited with introducing mass-production techniques to household furniture making in 1939, Royal Metal Manufacturing Company of Chicago, in 1897, was using some assembly line technique on the wire chairs which were used in drug-stores for so many years.

Other changes also speeded up the production of furniture and made it less expensive. For example, quick drying, smooth flowing lacquers reduced drying time from ten days to one or two. Kilns with cir-

clutch manufacturing now is almost completely mechanized at some plants. Shown here is a garnetting machine

This cost-saving machine, used in the manufacture of carved furniture can make 24 reproductions of a pattern at a time





This elegant "rococo couch" with fringe on the bottom was part of a five-piece upholstered parlor suite advertised in Sears' 1901 catalog at the "heretofore unheard of price of \$15.50!" Upholstered in three tone velour "in the very latest style patterns and colorings," the sofa alone retailed for \$7.45

culating air systems that controlled the heat and humidity inside also reduced the time consumption — lumber could be dried out in days instead of months.

Veneers, first used structurally about 1910, brought down the price of fine wood furniture considerably, for with this innovation the solid board that had been used formerly

could be sliced into strips about one-eighth inch thick which then could cover surfaces up to 22 times larger than the original board.

New glues increased strength and water resistance and reduced the setting time for furniture adhesives. Today a properly glued wood joint is stronger than the wood itself. Dual-purpose equipment and air

brushes also were factors in the increased production rates.

The major innovations in making furniture on an assembly line basis were the introduction of a conveyor belt system and the division of work so that several specialists worked on each chair. The increasing use of prefabricated parts was another factor in the evolution of the industry.

Design Changes

The increased production schedules were accompanied by radical changes in design, too. At the turn of the century American furniture was weighted down with the ornate hodge-podge of scrolls, plumes and intricately carved designs inherited from the Victorian era. But as elementary health education increased, stuffy furniture, overladen with dust-catching gewgaws, passed from favor. And as women began to take part in suffrage and temperance movements, and spending more time outside the home, they looked for conveniences which would cut down the time spent on household tasks.

It wasn't until 1925, however, that something really new came

*Contributing to Chicago's
business reputation with
quality and high standards*

*Kuppenheimer
Clothes*

*Since 1876... An investment
in good appearance*

B. KUPPENHEIMER & CO., INC.

3040 W. LAKE STREET
CHICAGO 12, ILLINOIS





How a 1904 inspiration benefits you today

The year was 1904. Those new-fangled motorcars were stopping horse-drawn traffic on State Street . . . Orchestra Hall had just been dedicated . . . the Chicago Association of Commerce and Industry was in the making. And The First National Bank of Chicago (established in 1863) was seeking even better ways to serve its growing list of customers.

From this search developed the idea of "industry-specialized" financing. Our Commercial Banking Department was reorganized into 6 Divisions—each one to serve a specific group of related industries. That idea has grown into 10 specialized Divisions today, and

they form the largest, most complete setup of this kind in American banking.

The officers of these Divisions study their industries closely—work with them in the field. As a result, they know trends, markets and problems as they pertain to specific businesses. They know what financing their customers want—and why.

This kind of personal interest has brought about a close and mutually successful relationship with Chicagoland industries of all kinds. We're sure that the next 50 years will make that relationship even more close and more successful.



The First National Bank of Chicago

Building with Chicago since 1863

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

This is a re-print of the advertisement that we ran in this publication . . .

25 Years Ago

De Met's Candies represent a part of Chicago's commercial progress

It requires something more than a mere name on a door . . . and a stock of goods to achieve success in modern retail merchandising!

The original policies at the inception of this business . . . are in evidence today . . .

And it is because those policies are in accord with the public's wants that accounts for DeMet's success today!

DeMet's
CANDIES

STORES THROUGHOUT THE LOOP

Today, in our 56th year of business, we can think of no better way to achieve success in modern retail merchandising. We can only add that we are proud to have had a part in the continued growth of this great city.

DeMet's, INC.

177 N. FRANKLIN ST., CHICAGO 6, ILL.

along. In that year, at an art fair in Paris, the first Modern furniture was introduced. By present standards it was as unlovely as the Victorian dustcatchers, but the American designers who visited the fair realized they were witnessing more than an artistic aberration. Ignoring the snakeskin covered sofas and the chairs of zebrawood (deep yellow in color with black vertical stripes), they saw the beginning of a new trend in furnishings.

For the next eight years designers were busy refining Modern into a distinctly American product. They were aided in their revolution by the popularity of Mission styling from 1900 to 1915, and Spanish, a product of the Florida land boom of the '20's, both of which had convinced American homemakers that fashionable furniture did not necessarily have to be a slavish imitation of European ideas.

At A Century of Progress in 1933 some 60 million people were introduced to Modern. Most of the fair's buildings were designed along Modern lines, and there were many exhibitions of Modern furniture. A new era in furniture had been born and accepted into the family. Today, Modern accounts for more than 60 per cent of all furniture shown at the markets.

Merchandising Changes

Furniture merchandising was also undergoing radical changes. In 1891 the first of the furniture markets had been held in Chicago in the Industrial Exposition Building, where the Art Institute stands today. There had been markets before, notably in Grand Rapids, but they had been held in factory showrooms or scattered among several buildings. The affair at the Industrial Exposition Building was the first successful attempt to get all the exhibitors under one roof, according to the Chicago Furniture Manufacturers Association.

The Chicago market was attractive to the retailer because he didn't have to traipse from one building to another to take in the whole show. A centralized location also made things easier for the outside manufacturer, since it reduced the problem of obtaining display space. And with everyone together, the prestige and drawing power of the

show was increased immeasurably, although the exhibit remained largely a regional affair.

By the end of World War I, the growth of the furniture industry had made the local and regional market obsolete. In 1899, for example, Chicago boasted 119 furniture factories. Twenty years later there were 222 firms. Production valued at \$12.5 million in 1899, was more than 300 per cent higher by 1919.

Gigantic Showroom

What the nation's manufacturers needed was a gigantic showroom, large enough to attract retailers, not just from the surrounding area, but from all over the nation. And, in 1924, when the American Furniture Mart opened its doors, that's what the industry was given.

Among other things, the 30-story furniture mart is the world's largest cab stand during market week; in the basement is a loading dock capable of handling up to 15 trucks at a time. There are five miles of corridors, some of them 20 feet wide.

In 1930 the Merchandise Mart, the largest commercial building in the world, was opened, and the two great marts combined to put on a furniture market that has steadily grown in size and importance. Originally four markets a year were held; then during World War II the schedule was reduced to one market annually. Since then two markets, the Spring and Fall, have been held each year. Their size has made Chicago the merchandising center of the nation's home furnishings industry. Eighty per cent of the country's furniture manufacturers have space at the American Furniture Mart, while 90 per cent of the floor covering manufacturers display their products at the Merchandise Mart. And major segments of the electric appliance, gas appliance, lamp, bedding, chinaware and glassware industries are located in the two marts.

Situated in and around Chicago are many of the nation's leading furniture and bedding manufacturers. Kroehler, with two plants in the area and 11 others around the country, is said to be the world's largest manufacturer of upholstered furniture. Futorian, Pullman Couch, and International (affiliate

5th largest food chain in the nation...

11th largest retailer in the world...

and National is proud to say:

"It all started in Chicago

—still our 'home town'!"



GROWING at a pace that has set the example for America's food industry

NATIONAL'S SALES AVERAGE FOR 10 YEARS, 1935-1944 \$71,573,682.

Sales Growth for the Past 10 Years - 1945 - 1954

1945	\$106,868,995
1946	\$157,641,672
1947	\$217,915,297
1948	\$270,176,795
1949	\$274,332,677
1950	\$315,218,947
1951	\$361,321,293
1952	\$405,220,594
1953	\$462,281,957
1954	\$500,000,000*

*Estimated

National opened its first food store right here in Chicago December 9, 1899, with total sales for the day amounting to exactly \$8.50. During the ensuing 55 years, National's growth set a record in the industry. Today, 700 National Food Stores—with daily sales of more than \$1,600,000.00 and an annual volume in excess of one-half billion dollars—serve cities, towns and shopping centers in 10 mid-western states from Canada to the Gulf.

National's greatest growth occurred in the last ten years as sound and progressive management provided for the modernization or relocation of old stores, the opening of hundreds of new stores and the acquisition of chains in other territories. Future plans include the sound expansion of sales volume and profits through additional modern, clean and convenient National Food Stores.


It's a success story and a story of progress under our American system of free, private and competitive enterprise . . . and it all happened right here in Chicago, still the base of operations for National's largest branch and headquarters for National Food Stores, Everywhere.

NATIONAL TEA COMPANY

General Offices 1000 Crosby St., Chicago 10, Illinois

BRANCHES in Chicago, Detroit, Indianapolis, Kalamazoo, Milwaukee, Minneapolis, Baton Rouge and St. Louis.

STORES in Illinois, Indiana, Iowa, Louisiana, Michigan, Minnesota, Missouri, North Dakota, South Dakota and Wisconsin.

1899  1954

with S. Karpen & Bro.) are among the biggest. Two of the largest manufacturers specializing in baby furniture—Kroll Bros. and Storkline Furniture—also are located here.

Three of the nation's leading producers of metal furniture—Douglas Furniture, Royal Metal Manufacturing, and the Howell Company—are in the Chicago area. Metal furniture, especially wrought iron, has become increasingly popular in recent years. In 1929 it accounted for five per cent of the nation's household furniture production, according to the National Association of Furniture Manufacturers. But today, largely used in dinette and kitchen tables and chairs, plus living room tables and television stands, it accounts for 16 per cent of total production. Much of the furniture in offices, factories, institutions and commercial interiors also is metal, either aluminum, or steel coated with chrome or colorful baked enamel finishes.

Chicago is the home of Seng Furniture Company, which labels itself "machinists to the furniture in-

dustry." Seng's major product is a spring device which is the heart of most of the sofa beds and davenport beds. Production of dual purpose sleep furniture was valued at \$132 million in 1952.

Bedding Manufacturers

Within the Chicago area are plants of all the major bedding manufacturers, including Superior Sleeprite, Burton-Dixie and Englander. Simmons, largest company in the field, has offices in the Merchandise Mart and a major plant in Kenosha, Wis. Much of the bedding produced today is manufactured by trade groups—agglomerations of firms that sell under joint trade names. Among the largest of these are Spring-Aire, Serta, Sealy, Restonic and Sylcon.

1914 was a milepost in the development of the furniture and bedding industries for in that year a Chicago firm, the Nachman Spring Company, began manufacturing inner springs. The springs were introduced to furniture first, and to

mattresses in the '20's. Nachman is the largest supplier of springs to the home furnishings industry.

Modern design, which has revolutionized furniture, has worked a similar miracle in the lamp industry. The tasseled, heavily-decorated shades of the post-Victorian days have been replaced with simple forms—squares, circular and conical shapes. Several new materials are being used. One is vinyl plastic, which appeared first in the home furnishings world on the seats of metal furniture and on the tops of metal tables, and now is a covering for some upholstered furniture. Nylon and rayon also are used in lamp shades and furniture coverings.

Richard Weis, head of the Chicago Lamp Manufacturer's Association believes that New York has a larger number of lamp producers than Chicago, but that in number of units manufactured, the two cities are probably neck and neck.

Chicago Firms Larger

The reason for the discrepancy is that New York has a comparatively large number of small and medium-sized firms. Chicago has a smaller number of firms, but production in each case is generally larger. Among the biggest manufacturers here are Stiffel, Rembrandt, Bradley, Deena, Colonial-Premier, and Sandel. Deena says it's the world's largest lamp manufacturer. The volume of each of these companies is above \$1 million annually, and probably goes as high as \$4 or \$5 million, Weis reported.

Lamps have changed quite a bit since 1900. Fifty years ago, the electrified home was still largely a dream. As late as 1924, the Sears Roebuck catalog devoted twice as much space to gasoline and oil lamps as it did to electric table and floor lamps. The growth of electric lighting throughout the home is another evidence of the changes wrought by time in the home furnishings industry. What the industry will be like in 1994 no one can say for sure. But one point is fairly certain—mass production, now waiting patiently in the wings, will probably occupy the center of the stage by then.

1904
“
Our
”
1954

GOLDEN

ANNIVERSARY”

Famous for Fifty Years... for

“Just Wonderful Food”



12 CONVENIENT RESTAURANTS
IN CHICAGO'S LOOP

PIONEER HOUSEHOLD APPLIANCE INDUSTRY NOW A GIANT

More than 50 different appliances, with
\$400 million annual value, are made here

By Russell Freeburg

A CHICAGO basement, a loft on the far west side, and an obscure young Chicagoan, all had vital roles in the creation of the household appliance industry. In the basement the first electric stove was put together. From the loft came the all-electric washing machine. The young man contributed the first practical mechanical dishwasher.

From this start Chicago has become an appliance center making products worth \$400 million a year. Almost none of these products existed in 1904 except the gas range. Chicago's power system had a ca-

The author is a member of the financial news department, Chicago Tribune.

capacity then of slightly less than 60,000 kilowatts. There were only a handful of electric companies throughout the entire country and many provided power only at night for household lighting. Few gave daylight service and that only once a week.

The gas range, an adaptation of the Bunsen burner principle, brought new control and reliability to cooking. From about 1898 into the 1900's, demonstrations of gas cooking were conducted on ranges set up in vacant lots. People were invited to bring foods to be cooked and see the results for themselves.

One story of the times reported by Peoples Gas Light and Coke



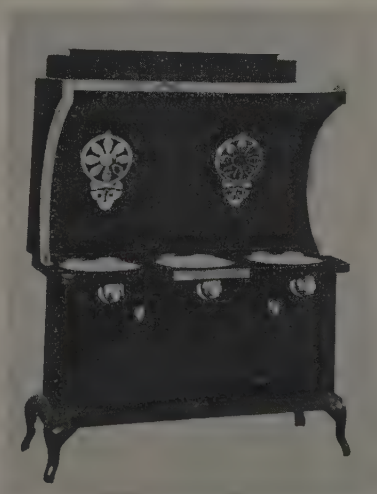
Refrigerators, carried on overhead conveyors, drop to inspection point before completion at Hotpoint's new Cicero plant

Company concerns an enterprising salesman who did not wait for customers to come to him; instead he loaded a gas range on a horse drawn wagon and carried it to street corners where he would stop under a street lamp, run a rubber hose from lamp to stove, and proceed to demonstrate gas cookery.

At present 85,000 to 120,000 modern gas ranges are sold each



This early electric washer was used for years in Thomas A. Edison's home



First electric stove—invented in 1909 by George Hughes, founder of Hotpoint Co.



Dishwashers have changed a lot since this model was introduced in 1913

GROWING WITH CHICAGO...

HAGGARD & MARCUSSON CO.

**Manufacturers of Springwall
Mattresses and Steel Bedding**

Haggard & Marcusson Company was incorporated over fifty years ago, started in 1877 by John D. Haggard, in a small building located at 53 West Randolph Street, where he manufactured wood frame bed-springs. In 1883 he entered into a partnership with Francis Karr, for the manufacturing of bedsprings, pillow sham holders, etc., and the plant was moved to 1432 So. Wabash Avenue. The partnership was known as Karr, Haggard & Company. Mr. Henry H. Marcusson entered their employ about the same time. In 1885 the plant was moved to the corner of Michigan Street and La Salle Avenue, where the line was extended to include the manufacture of woven wire mattresses. Later, the company again moved into a factory building located at Sacramento and Carroll Avenues.

In 1892 Mr. J. George Smith contacted Mr. Haggard and eventually purchased the interests of Francis Karr, and they established the business then to be known as Smith and Haggard Co., with Mr. Smith as president, Mr. Haggard as Treasurer, Mr. Marcusson as Secretary and E. A. Sammons, as Sales Manager.



In 1893 Messrs. Haggard and Marcusson and Sammons withdrew from the firm, organizing a partnership known as Haggard & Marcusson, located at 409 South Canal Street. In 1897, they were reorganized and incorporated as Haggard & Marcusson Co., with John D. Haggard as President, Henry H. Marcusson as Secretary and Treasurer, Ernest A. Sammons as Sales Manager. Increased business again forced a move to larger quarters at the corner of Forguer and Canal Streets, where they continued to do business until 1909, when a larger, new factory building, embracing approximately 75,000 square feet of space, was acquired at the present address, 1109 West 37th St., in the Central Manufacturing District. This plant was enlarged to 120,000 square feet of space by 1930 and in 1937 an adjoining building at 1101 West 37th St., embracing 80,000 square feet of space, was purchased to meet a seemingly never ending increase in demand for TIGER BRAND products.

With this past record of growth as an incentive, the present management under the guidance of Joseph A. Sammons, president, looks forward to the future of the company.

HAGGARD & MARCUSSON CO.

1111 W. 37th STREET
CHICAGO, ILLINOIS



Appliances are arranged for efficiency in the modern kitchen *Korth photo*

year in Chicago. About five per cent of all electrical home appliances made in the country are sold in the Chicago area. There are several hundred dealers, many of whom also do service work. In Chicago are perhaps eight or nine per cent of the more than 1,000 home appliance manufacturers in the entire country, and they produce more than 50 different products.

Products List

The electrical products of Chicago area companies include air conditioners, blankets, food mixers and blenders, vacuum cleaners, clocks, coffee makers and grinders, egg cookers, dehumidifiers, humidifiers, air purifiers and deodorizers, clothes and hair dryers, fruit and vegetable juice extractors, fans of all types, food waste disposers, food freezers, deep fat fryers, water heaters, hot plates, clothes ironers of several types, curling irons, electric stoves, refrigerators, roasters, knife sharpeners, shavers, water softeners, timers, toasters, waffle irons, bed warmers, bottle warmers, clothes washers and dishwashers.

The world's first practical dishwasher was the creation of George Walker, a Chicagoan, in 1909. Little more seems to be known about him, however. His dishwasher was a round tub with four legs. On one side was a hand crank with large iron gears. Inside were plungers that moved up and down when the crank was turned, splashing water against dishes stacked in the tub.

This Walker dishwasher later was

developed by Chicago's Hotpoint Company. In 1913 an electric motor was attached to the bottom of Walker's tub. In 1924 the first combination sink and dishwasher model was made, and in 1936 the first to have a front opening door appeared. In 1940 the first all-electric dishwasher made its debut. The dishwasher today warms the hearts and saves the hands of more than 1.3 million women who have one. By 1960 more than five million families are expected to own dishwashers.

While Walker was working on his dishwasher, the late George A. Hughes, founder and first president of Hotpoint, was putting together the first electric stove in a basement just south of the loop on Dearborn street. It wasn't much for looks by present standards. There was a black cast iron frame, and electric heating coils set in clay molds. The three cooking units with their cumbersome switches contrast dramatically with modern pushbutton controls.

Five of these early models were displayed at the 1910 National Electric Fair in St. Louis. One electric utility company ordered a carload. It was the beginning of a new industry that in 1953 produced more than \$332 million of electric ranges for American homes.

The first electric ranges met the same resistance from women that gas ranges had faced earlier. Door-to-door selling introduced them to thousands of housewives across the country who were willing to experiment. In pioneering electric cooking, Hotpoint introduced an educational innovation that has b

Pioneers In the Lumber Industry

From a very small beginning back in 1887 when Edwin S. Hartwell and Herman H. Hettler formed a partnership to serve Chicago in its lumber needs, and since 1903 when Mr. Hettler bought out Mr. Hartwell and incorporated as the Herman H. Hettler Lumber Co., the firm has grown to the point where it is recognized as a leader in the industry.

Progress and growth have made many interesting changes in the Herman H. Hettler Lumber Co. Originally the company was a concentration yard for railroad material and other items required in the construction of freight cars. Later the railroads purchased many materials direct from their sources, but the company still does a large wholesale business.

In the early years practically all lumber came from the north. Very little lumber came from the south, and west coast lumber was not in this market.

In 1905, the company began purchasing Canadian timber lands. It became a large holder of white pine timber which was cut and shipped in Hettler's own vessels to Chicago and other points on the Great Lakes.

At one time Hettler's manufactured oak and maple flooring and was one of the largest producers in this area. It maintained a battery of dry kilns and flooring machines until such time as labor costs prohibited profitable operations. However, a large planing mill is still in operation to provide mill-ling requirements of their customers.

Today it is one of the largest concerns in the middle west serving the building and industrial needs.

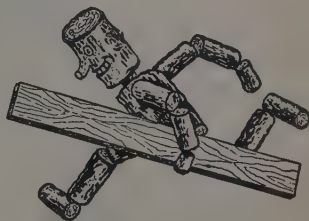
The horse and buggy days in the lumber industry belong to the past. Lumber now is shipped by railroad and trucks; mechanical lifts and carriers expedite handling. The lumber industry is developing new and better methods, keeping abreast of the times with other industries.

Herman H. Hettler passed away in 1929. His death removed a nationally known business man and one of Chicago's most highly honored citizens. He had achieved an enviable reputation as a successful executive. He had served as head of the Illinois Manufacturers Association and of the Chicago Housing Association, as well as the Lumbermen's Association of Chicago. Mr. Hettler was honored by many other groups and one of his outstanding achievements was as head of the Liberty Loan committee in World War I.

The company's growth and success was due largely to Mr. Hettler's dynamic leadership and ability. He was loved, honored and revered and his passing left a large void not only in the company, but also in civic and welfare movements.

His son, Sangston Hettler, carries on in his father's footsteps.

The company is continuing the business in the traditions handed down to them. It enjoys the confidence and good will of the lumber consuming industry and is a vital factor in the retail and wholesale field.



Trademark Copyrighted

The Lumber Man
Established 1896

SANGSTON HETTLER, President

ARTHUR BRAILSFORD, Vice President

WILLIAM M. HERTEL, Vice President

FRED M. JOHNSON, Vice President

E. L. CHRISTIAN, Secretary

RALPH E. KOERTING, Assistant Secretary.



Prime Movers of Progress

Railway Express salutes the Chicago Association of Commerce and Industry on its 50th birthday. As a Charter Member of this organization, Railway Express has shared the same objectives with this forward-looking group. Like the Chicago Association of Commerce and Industry, America's largest and most experienced carrier has contributed much to the growth of modern Chicago. Thousands upon thousands of the city's shippers have benefited by its dependable, pace-setting service. Today, Railway Express with its gigantic transportation network makes available to Chicagoans 340,000 miles of coordinated rail, truck, air and water shipping facilities.



A Complete Shipping Service in the
American Tradition of Private Enterprise

come standard practice — the use of trained women home-economists. These service specialists were helpful in explaining electric stoves to housewives, and also in pre-testing new engineering developments from the point of view of the user.

Hotpoint now operates the world's largest electric range plant. In its home laundry equipment manufacturing plant, installation has begun on the world's largest enameling furnace. The company's line now includes all large electrical home appliances — ranges, refrigerators, freezers, dishwashers, garbage disposers, water heaters, automatic washers and dryers, ironers and room air conditioners.

First Electric Washer

Three years before Hughes and Walker introduced the electric stove and the dishwasher in 1909, the late Edward N. Hurley had become discontented with manufacturing floor scrapers in a Cicero loft building just across the street from Chicago. From his boyhood came the memory of a hand-operated washing machine on the farm. It gave him the idea for a completely electric washing machine. With his associate and plant engineer, A. J. Fisher, Hurley designed the world's first all-electric home washing machine. Like the first electric stove, this washer wasn't much for looks. It was an ungainly giant; cylinder type washer with all mechanism, gears, and chain drives exposed. A three-roll reversing wringer was on top.

Hurley's company now is called Thor Corporation. Its big main plant is on the site of the old loft building. The first Hurley machine had a \$85 price tag which was raised promptly to \$125 when costs exceeded returns. Hand washers were selling for \$12 at the time.

Like the first electric and gas ranges, the first electric washing machines were merchandised by utility companies and door-to-door selling. The new product was so unusual that one of the most frequent questions asked about the early washing machines was "Do you have to use soap and water?"

A dozen of the early washing machines were purchased to save apples. An unidentified apple grower in Washington state modified

em to grade fruit by attaching a series of canvas pockets to the ringer's chain drive. One of the first machines produced was in continuous washing use from 1909 to 1922 in the home of Thomas Edison.

After World War II, Thor introduced the country's first combination clothes and dish washing machine, and the foldaway electric iron. The first electrically operated ironers had appeared shortly after the first electric washing machine. Little more than a decade later, gas and electric hot water heaters came along to provide hot running water from the tap. Home water heaters previously had been coal fired. Many families heated water for baths on the kitchen stove.

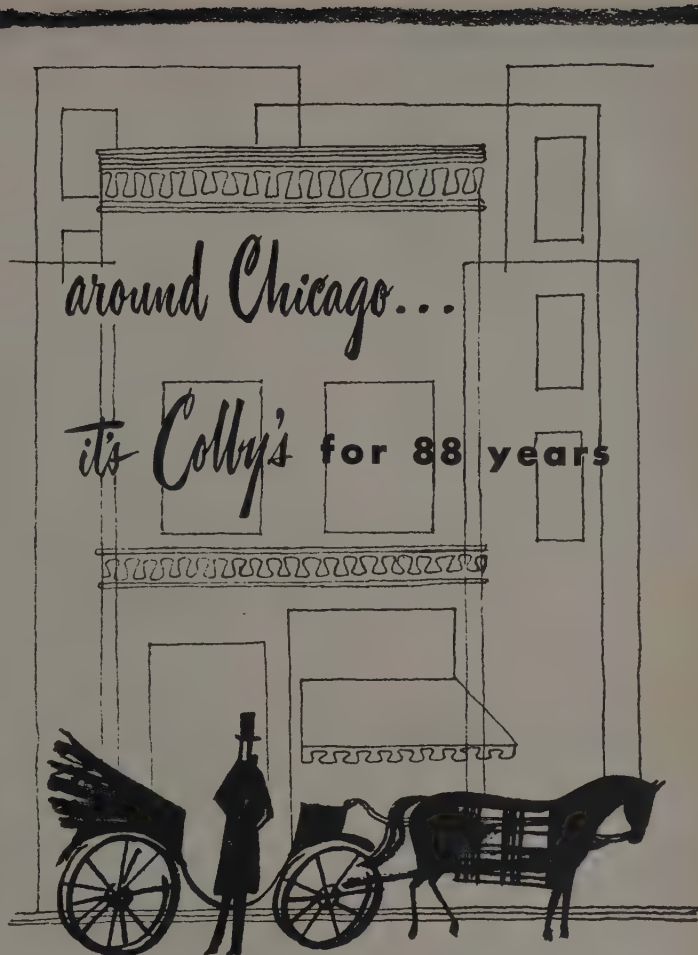
Smaller appliances also were being developed in Chicago. Sunbeam Corporation began making its electric iron in 1910. Prior to that time, the founders of Sunbeam were manufacturing and selling commercial animal clipping and shearing equipment, a business they established in 1897 and which the company continues. The firm originally was called the Chicago Flexible Shaft Company.

Mixmaster Era

A new era in Sunbeam history began in 1930 with the introduction of the Mixmaster, a home appliance designed to relieve the drudgery of kneading and mixing batter for cakes and pastries. Although the country was in a depression, the success of this new product brought an increase in Sunbeam's employment.

In 1937 McGraw Electric Company brought the manufacturing of toasters to Elgin, Ill. The company had been formed in 1926 when it purchased the Waters-Genter Company of Minneapolis, developer of the first automatic pop-up toaster in 1919. The famous trademark Toastmaster was first used in 1924. McGraw Electric now makes 28 home electrical appliances in several plants in the Middle West.

Several other Chicago companies have diversified electrical appliance lines. Chicago Electric Manufacturing Company makes automatic coffee makers, fruit and vegetable juice extractors, deep fat fryers, hot plates, toasters, mixers, heating pads, toasters,



Yes, there is a long tradition at Colby's

There have been a lot of changes since 1866 when Colby's was founded. As the pattern of American living has developed there has been constant revision in the furnishings of homes and offices. For 88 years Colby's has been a part of and taken the lead in many of these changes, but the years have not altered our insistence on quality . . . quality in craftsmanship . . . quality in interior decoration.

As a result generations have counted on Colby's for lovely homes and dignified offices to be lived in and truly enjoyed. For rooms that assure enduring satisfaction . . . lasting comfort . . . pride in things good.

john a Colby & sons

CHICAGO
129 N. WABASH

EVANSTON
426 DAVIS ST.

LA GRANGE PARK
IN THE VILLAGE MARKET



This distinctive doorway is the entrance to the old Dunlap mansion at 1000 N. Dearborn Street, which now houses the executive offices of F. E. COMPTON & COMPANY, Publishers of Compton's Pictured Encyclopedia.

THE HOUSE OF COMPTON

Among the landmarks of the Chicago of a half century ago is the old Dunlap mansion at 1000 North Dearborn Street. Like many of those fine old residences, it has been converted during recent years to commercial use.

The Dunlap residence now houses the executive offices of F. E. Compton & Company, whose history also dates back more than 50 years. They were publishers of the first children's encyclopedia (originally in two volumes, later expanded to a 10-volume set). In 1922 this was supplanted with an entirely new idea in encyclopedia making.

Compton's Pictured Encyclopedia

Continuously revised and improved from year to year, Compton's is given the highest possible rating by book-evaluating authorities for use by children and young people. It is the sole publication of F. E. Compton & Company.

The Compton Company, before moving to its present location, erected a modern five-story office structure to the rear for its general offices. It has recently acquired other adjoining buildings to make room for its rapidly expanding business.

The great growth of the Compton firm, together with that of other important encyclopedia publishers in Chicago, makes this city a recognized encyclopedia center of the United States.

waffle irons and small clothes washers.

Dormeyer Corporation makes blenders, toasters, broilers and oven broilers, and deep fat fryers. Naxon Utilities Corporation manufactures air purifiers and deodorizers, deep fat fryers, and small clothes washers.

International Harvester Company, big Chicago manufacturer of farm equipment, makes several appliances including refrigerators, freezers and room air conditioners. Fairbanks-Morse & Company, which has locomotives among its products, turns out ironers and wringer-type clothes washers.

Another appliance development of the depression was an entire company, Chicago's Cory Corporation, established in 1933. Cory was to make coffee brewing practically a push-button operation with its automatic electric brewers. The company's sales jumped from \$242,300 in 1935 to \$16.2 million in 1953. Its products range from small glass filter rods to room air conditioners.

Cory, over a period of five years and at a cost of \$250,000, developed a large coffee brewer that takes the guesswork out of restaurant coffee making. A post World War II development of the company was a home electric coffee grinder that automatically grinds whole coffee beans or regrinds drip or percolator coffee for use in glass coffee makers.

Freezer Surge

Also in the 1930's a few home freezers were manufactured, but full scale national distribution didn't begin until after World War II. Unlike most appliances, freezers first were used on farms and later were adopted by city residents. The Deep-freeze Appliance Division of Motor Products Corporation, North Chicago, was the first to promote its product nationally. Established in 1938, the division discontinued making home freezers because of war work in World War II, but went back to making them in 1946 and has since expanded its plant and built a new one in Lake Bluff. It also produces refrigerators, electric ranges, room air conditioners and water heaters. Hotpoint, International Harvester, Admiral Corporation, the Norge Division of Borg-Warner, and Rite-Way Products are other Chicago area companies

making home freezers. Admiral also manufactures refrigerators, electric ranges, room air-conditioners, and dehumidifiers.

From the 210,000 units sold in 1946, industry volume has increased to about one million home freezers sold each year. With more than six million homes now using a freezer, a minor revolution in cooking has sprung up. Housewives now can do their week's cooking in one or two days, then keep the food in the freezer until it's time to serve.

One of the biggest booms in home appliances since World War II has been in room air conditioners. Mitchell Manufacturing Company, with 16,000 employees in its three Chicago plants, is reputedly the largest manufacturer of room air conditioners in the country. It was one of the pioneer companies in room air conditioners when it went into production in 1946.

Cory corporation room air conditioners are produced by its Fresh'nd Aire Company, a division with a plant in Grayslake capable of making 400 units a day. It employs about 415 people. International Harvester, Hotpoint, and Admiral make their room air conditioners in plants outside the Chicago area. Admiral recently sold 25 room air conditioners for the American embassy in Karachi, Pakistan. It has even sold them for use in Alaska.

It is estimated that by the end of this year there will be 100,000 room air conditioners in the Chicago area. They are sold through some 1,000 retail outlets by about 4,000 sales persons.

Since the turn of the century, the home appliance industry has grown to be the second largest in the nation. In the consumer durable industry its sales are topped only by the automobile industry. The 1953 retail sales of home appliances in the United States exceeded \$5 billion. Many of these products are comparatively new and have thus far found their way into only a small percentage of American homes. Because of this, the industry has a very high growth potential. Chicago, with some 100 companies producing, among them, almost every variety of home appliance are expected as a group to share fully in this future.

A Chicago Pioneer...and World Traveler

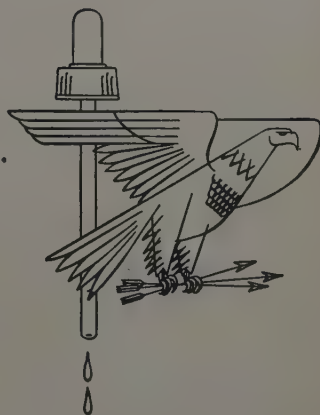


Murine, the largest selling eye preparation in the world, is a 57-year-old native of Chicago.

When it first appeared commercially in 1897, it was a pioneer in the field of eye preparations, creating a market where none existed before.

Since then, Murine, one of the many products which have found a favorable atmosphere for growth in Chicago, has never stopped creating markets. A familiar package in drugstores and homes all over America, Murine is manufactured today in nine foreign nations and distributed in 52 foreign nations and territories—its growth a tribute to the rigid standard of excellence that won and held public esteem in a highly competitive market.

THE MURINE COMPANY, INC. CHICAGO, U.S.A.





Many intricate procedures must be performed by the tool and die maker to construct these crankshaft forging dies

ANYONE who ponders the marvels of mass production comes inevitably to a puzzling question: "What really makes mass production possible?"

The answer is not simply that it is done with machines. Who made the machines? And how does a machine know when and where to drill a hole automatically, or how to form a piece of metal into some special shape?

When the mystery is traced back it is finally discovered that all mass production begins with something that is the exact opposite. It begins with highly skilled craftsmen known as toolmakers, or tool and die makers, and aptly described as "sculptors in steel." These craftsmen painstakingly and meticulously make the tools, dies, molds, gages, jigs, fixtures and special machines essential to mass production.

The toolmaker may use power tools for a portion of his work, but, like the sculptor, he will probably do a great deal by hand, and he has only a designer's specifications to guide him. To get the final infinitesimal

measurement the tool and die maker may rub a piece of hard steel with an emery cloth.

Take a die, for instance. This device is attached to a machine such as a press or a forge. Usually the die comes in two parts, an upper and a lower section. When a piece of metal is placed between the two sections, and great pressure is exerted, the metal is formed into the pattern of the die, just as cookies are cut out of dough with a cookie cutter. The tool and die maker has made this die the hard way, but once it is completed it is ready to turn out thousands or maybe millions of identical parts at high speed.

Similarly with a mold. Once the hand-made mold is perfected, it is used time and again for the mass production of some item by pouring or forcing metal into the mold pattern.

When the word "tool" is used in connection with the tool and die industry, the reference is not to hammers or pliers or screwdrivers, nor even to machine tools. Sometimes the word is used to describe

all of the special equipment made by the tool and die expert, or it may refer only to the machine tool attachments called jigs and fixtures. Attachments with special cutting edges to remove metal are called cutting tools.

A jig, as the term is used in the machine shop, is a pattern or stencil that guides a machine tool so that it cuts or drills in the right places. A fixture is a device used to hold a piece of metal in the desired position while it is being cut, drilled, shaped, or what not, by a machine tool.

Special gages are produced by the tool and die shop to meet any requirements, and with such precision that they will register in such incredible terms as a 50 millionth of an inch.

If a special new machine is designed to produce a new part or product, the tool and die shop makes it.

Thus, wherever there is mass production, in the background is the tool and die shop. And, as might be expected, the most important center of the tool and die industry is Chicago, the most diversified industrial center in the world.

Variety of Work

Chicago's tool and die industry with complete immodesty, assert that nowhere else is such a variety of tool and die work done, and nowhere else is its fine workmanship duplicated. Whatever anyone may want to produce in quantity, in Chicago he can find a shop that will make the special equipment that is needed to do the job.

Strangely, the industry that is the very foundation of mass production is itself composed of relatively small shops. There are some 450 contract job shops producing tools and die in Chicago, and the largest employ only about 200 persons. The average shop employs only ten to 15, an

FINEST TOOLMAKERS WORK HERE

"Sculptors In Steel" fashion the tools and dies

that make mass production possible

any may consist of only the owner and one other man.

In addition to the contract job shops, there are "tool rooms" in many of the larger manufacturing plants. These "captive" shops often are occupied mainly with the maintenance of the dies and the other tool and die equipment, and the production of some of the less complicated devices.

All told there are about 5,000 workers employed by contract tool and die shops in the Chicago area, and their output is valued at about \$100 million annually. In the entire nation there are about 2,500 of these shops, employing about 75,000.

Thomas Jefferson is said to have introduced the idea of mass production to this country. In 1785 when Jefferson was Minister to France, he learned about a French gunsmith who had developed a new method of production that consisted of making the parts of a musket with such precision that parts in one musket could be used interchangeably with similar parts in any other.

Jefferson told Eli Whitney, the cotton gin inventor, about this new method, and Whitney in turn interested the United States govern-

ment and was awarded a contract for 15,000 muskets. Whitney used up 80 per cent of his allotted time in designing and building the new fixtures, dies, cutting tools, and so on, needed for mass production of identical, interchangeable parts. And he filled the contract on schedule, despite the scoffing of the experts of that day. Thus, mass production and tool engineering were established in the United States.

Special Tools

Until World War I, most special tools were still being made by general machine shops and by toolmakers employed by manufacturing concerns. Because of war demands, manufacturers found they couldn't produce dies, jigs, fixtures, etc., fast enough, and they were forced to farm out a lot of this work. By the end of the war there were about six firms in Chicago that were specializing in the products now identified with the tool and die industry.

Despite the importance of the tool and die industry, the names of companies in the industry are unfamiliar to the public generally although they may be widely familiar with

the manufacturers. In the Chicago area some of the major factors in the industry include Brust Tool Manufacturing Company, Harig Manufacturing, R. Krasberg and Sons Manufacturing, M. P. Heinze Machinery Company, Service Tool Die and Manufacturing, and Richard O. Schulz Company.

Because of the high degree of technical skill required for the manufacture of tool and dies and special machines, apprentice training is encouraged and aided by the industry. Currently about 300 apprentices are studying under a program devised by the Tool and Die Institute, representing special tool and die manufacturers in the Chicago area, in cooperation with the Chicago Board of Education. The course now lasts four years, although it is expected that a five-year program will be instituted soon. In addition to work in the shop the apprentices receive night school training in machine shop, shop mathematics, mechanical drawing, and other technical subjects. Apprentices in the tool and die shops of large manufacturing establishments also are given the opportunity to obtain this classroom training.

Measurements as small as one ten-thousandth of an inch are part of the toolmaker's daily routine

Equipped with special dies, this forming press can produce 200 automobile body tops an hour





Exhaust piping for testing of jet engines is example of some of the big parts made by Chicago Steel Tank Division of U. S. Industries, Inc.

CHICAGO SPECIALTY: MAKING METAL PARTS

4,500 Metalworking Firms Make Area World Leader

By Bob Goodwin

A MAJOR portion of the industrial might of Chicago and Middle West is comprised of firms that produce component parts for use in the finished products of other manufacturers. These firms

are specialty houses, often grouped under the heading of "job shops," and they are expert in one or perhaps several phases of metalworking technique.

In the past 15 years the number

of specialty firms has increased so rapidly in this area that Chicago now leads the world in such fields as screw machine parts, electrical parts manufacturing, metal fabricating, and allied processing. Today, Cook County and its neighbors boast approximately 4,500 such specialty houses, some with one or two employes, some with labor forces numbering in the thousands. Service organizations in this field, doing such things as plating, heat treating, metallizing, deburring, polishing, and printing, would swell the list considerably.

Many job shops perform more than one process, but a general listing will indicate the number and types of specialty houses in the area:

Screw machine parts	500
Stampings	625
Perforating	15
Machining	1,050
Metal spinning	60
Welding and Fabricating	750
Forming, drawing	75
Foundries and die casters	550
Powdered metal processing	20
Forgings	120

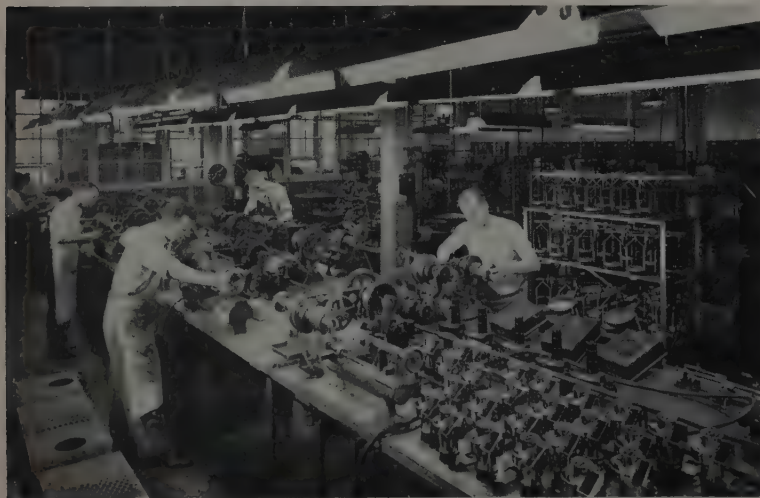
Because many of these job shops perform services in other categories, the foregoing list does not indicate the true potential output of parts in this area. Service organizations, doing plating, heat treating, metallizing, deburring, polishing, and painting, also are not listed although their function is closely allied with the job shops that actually produce parts.

An unprecedented demand for these specialized services has been caused by several closely interwoven factors. The primary reason is the location of many major industries in the Chicago area — such as the steel and automotive industries — attracted by the excellent labor supply, better transportation facilities, and lower distributing costs. World War II and the Korean conflict accelerated industry's growth here.

However, the demand is more than just a local phenomenon. While the job shops originally served

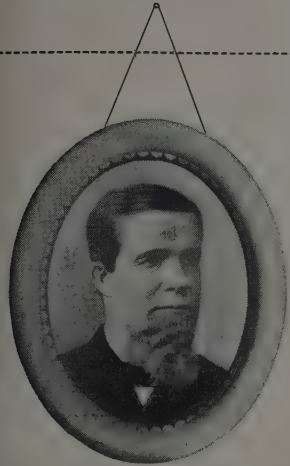
The author is publisher of the Chicago Midwest Metalworker.

At Cenco Corporation's instrument shop parts are made for centrifugal stirrers used for circulating liquids in bath-





The label that made Chicago world-famous...



Thousands of people all over the world first saw the name "Chicago" on the label of an oddly-shaped tin can! From the North Pole to the Straits of Magellan, from Singapore to Siberia, Libby's Cooked Corned Beef made the first world-wide "hit" in canned foods, and won renown for its home town toward the end of the last century.

The revolutionary pyramidal can which Mr. Arthur A. Libby helped develop is still in use in the packing business. No basic improvement on it has been found necessary in the intervening 86 years. But vast and rapid changes have taken place in the company that Arthur Libby and his brother Charles founded with their friend, Archibald McNeill, in 1868!

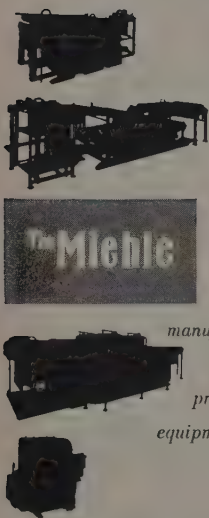
...has grown with Chicago to become this national symbol of fine eating...

The three young men pooled their resources in that year to buy a building at 16th and State streets. The business they started grew into a vast enterprise—with interests from Alaska to Hawaii, packing everything from pickles to pineapples, from olives to frozen berries, in practically limitless quantity and variety.

Chicago and all America have lived better and eaten better, through the years, because of Libby's leadership in research to improve canned foods. May the next 50 years of the Chicago Story show as much development for Chicago—and Libby's—as the past half century!



LIBBY, McNEILL & LIBBY Chicago 9, Illinois

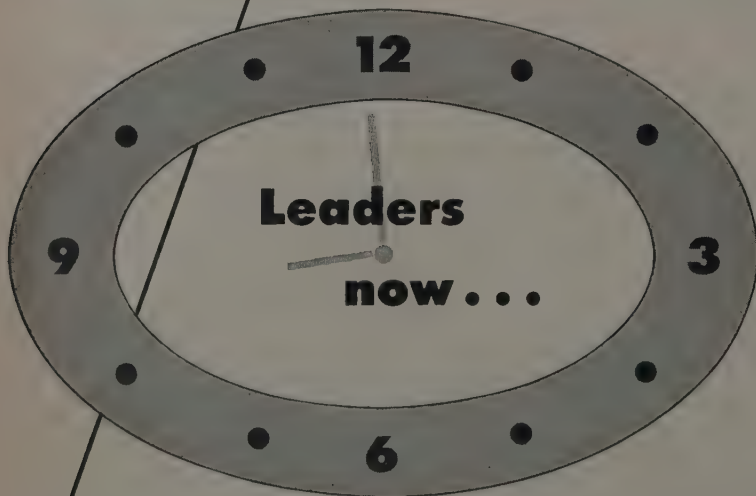


*Outstanding
among
the
world's
leading*

*manufacturers
of fine
printing
equipment.*

Leaders then... for even though Miehle was a young company in 1904, their revolutionary ideas were already recognized throughout the world. Leaders now... because as Chicago grew, so did Miehle. The constant search for new and better ways to help printers everywhere... the development of time-saving, money-making presses... the absolute maintenance of highest quality... have made Miehle a world leader in the manufacture of printing equipment.

**MIEHLE PRINTING PRESS &
MANUFACTURING COMPANY**
Chicago 8, Illinois



up operations to serve nearby manufacturers, many now do an international business.

The reason manufacturers rely so heavily upon these specialty shops can be boiled down to one word: Skill. Many of the processes performed are extremely technical and only the largest of manufacturers could afford to own the necessary equipment and to have the skilled labor on their own payrolls. So they job the work out, and in the final analysis usually pay a unit price far below the cost for which they themselves could do it.

Items produced by the specialty firms range from minute, highly intricate screw machine parts required in the electronic industry to big castings weighing many tons.

Gears Take Skill

Bearings manufacture is an immense field in itself, and Chicago has many contributors to it. Another important field is gear manufacturing through which the power of mechanization flows. The skill required in producing gears is so great that the companies have built reputations for manufacturing just certain types. Gear Specialties and Foote Brothers are known for their ability to produce small, ultra precision gears. Abart Gear and Machine, Illinois Gear and Machine, D. O. James Gear Manufacturing and Chicago Gear Works, as well as many others, have the finest of reputations in producing medium sized and large gears. Industrial Gear Manufacturing makes every type of gear except spiral bevel or spiral mitre gears.

Chicago Rawhide Manufacturing Company specializes in the production of parts made of rawhide and phenolic resins, used in aeronautical, farm, and other powered equipment and home appliances.

Harrington and King Perforating Company, probably the most important perforator of metals, not only produces many of the ham some dash boards seen in American automobiles, but even supplies Oriental countries with rice hulls made of two revolving, perforate metal tubes.

United Parts Manufacturing Company is known across the land by car owners who buy replacement parts in automotive stores. Chicago has firms that specialize in replac-

OUR "CHICAGO STORY"

from 1 shop to 79 in 32 years!

2 out of 3 women pick...



"A CLIMB TO THE SUMMIT"—Thirty-Two Years of Andes Candies

Candy-maker for the Midwest's greatest market — Metropolitan Chicago—is the business of Andes Candies, a fast-moving company that has sprung from one candy shop to 79 in just 32 years.

And the business of Andes Candies is the primary concern of one man with one story to tell of a dream transplanted from the Old World to the New. He is Andrew G. Kanelos, the son of a farm couple living in a small village outside of Athens. Even as a boy tending flocks of sheep, Andrew Kanelos dreamed of the America his teacher had told him about, and the glories that once were Greece had come alive in the new country.

This dream came true when young Kanelos' father brought him to America. Chicago—the father later returning to his family and farm in Greece. Chicago's prairies gave Andrew Kanelos his education in America, the language, while a Chicago newsstand in front of one of Chicago's largest banks gave him his livelihood.

One of the bank's executives took a personal interest in teaching frugality to the young Kanelos, and taking this lesson to heart, he soon had funds enough to buy out a small, struggling candy shop. His venture was cut short by the advent of World War I. He served in the front lines in France with the A.E.F. signal corps.

The war over, his Army bonus gave

Kanelos the funds to start the first of the "Andy's" shops in 1922—in the Belmont-Lincoln shopping area.

His first retail shop taught him the single, most important lesson of his business career: that candy quality can never be too high. Even though it was priced higher than lower-grade candies—in trays side by side—the quality candy always outsold the other. Young Kanelos, armed with this "secret weapon," succeeded with his new store, and with the new name of "Andes"—and the slogan of "The Peak of All Candies"—and the trademark of the Andes mountains of South America, the highest in the hemisphere, he started to expand.

At the end of three years, his second shop opened, then his third, and fourth. He needed larger production quarters, and several moves were made to accommodate the fast-growing firm.

Today, his main kitchens are located at 4430 North Clark Street, a spotless, up-to-the-minute candy production center. Andes Candies shies away from the words "factory" or "plant"—and rightly so, for even today, Andes candies are custom-cooked in small kettles, over open gas fires, and are hand-dipped.

Besides stressing the "world's finest ingredients," this devotion to individual detail in the making has produced for Andes a quality of candy acclaimed by millions.

It is the largest such company in the Midwest, and is perhaps one of the top three regional candy-makers in the country. Besides the seventy-nine Andes Candy Shops, there are hundreds of other outlets—the new fresh-frozen candies sold through Walgreen and other outlets, and "candy departments" in many stores throughout the country. A number of "agency" operations are scattered around the country, from Dallas in the West to many points in the East.

Andes have been an aggressive advertiser, and equally important, aggressive merchandisers.

"Presenting the product to the public" is a key phrase every employee has heard many times. Candy merchandising, the way Andes views it, starts from the basic store, with neatness, cleanliness, and well-lighted stores and displays. It goes right up to the fine points of window dressing, where actual candies are used, rather than imitations which are employed by some competitors.

These fresh candies are changed daily to get the maximum value from one of the retail shop's most important assets—window shopping in heavy pedestrian areas. About one-third of Andes Candy Shops have fully-equipped soda fountains, and the others have frozen-food chests in order to retail deluxe quality ice creams and sherbets.

Better packaging of candy has been a constant aim of Andes' management; frozen candies now representing an advance which may eventually revolutionize candy distribution methods. Andes has developed a freezing technique where its regular candies, with nothing added or taken away, can be maintained in perfect frozen condition. Two hours at room temperature, and Mrs. Shopper has candy with the freshness of only a few minutes from the making!

Packaging in ice cream, too, has advanced. One of the featured products is the "Freezer Tray" ice cream package, shaped to slip into an ice-cube tray in milady's refrigerator. Another unique ice cream package, in the top quality field, is Andes' reusable clear plastic container. Both packages have found high consumer acceptance.

But throughout the 32-year-old company's history, and the story of its amazing growth to leadership in the field, is the adherence to the principle of "quality first." While many segments of the industry in recent months have been squeezed by mounting chocolate prices, Andes holds the line — still, and they say, always will make their candies with such premium quality ingredients as 92-score fresh creamery butter, fresh whole milk, their own high specifications on chocolates, and choice nutmeats, fruits, and flavors.

And the thesis must be right—national statistics show a slight but continuous decline in the consumption of candy in the U. S., but Andes Candies — of Chicago — skyrockets ahead of the field.

If you ask Andrew G. Kanelos, he'll tell you that the national trend will change—but only when candy-makers, nationally, adhere to the principle of "Quality First."

ment parts for equipment used in farming, aviation, road building and even watch making. Some firms make nothing but bolts, screws, nails or washers — often in almost unlimited varieties of sizes, shapes and materials as specified by their customers.

Specialists in Varied Lines

Chicago Steel Tank Division of U. S. Industries, Inc. has the answer to many problems that arise in fabricating large, complex tanks for use in food, chemical and other industries. Laystrom Manufacturing is an authority on the stamping of aviation and automotive parts, as Simonson Metal Parts is an authority on deep drawing. Flexonics Corporation, formerly Chicago Metal Hose Corporation, meets countless industrial needs for flexible metal parts and ducting.

Howard Foundries probably ranks with the world's best in producing castings of every description and nature. National Die Casting Company is tops for zinc and aluminum castings. Atwood Vacuum Company and Northern Metal Products are



A variety of parts made from steel are exhibited at an open house staged by U. S. Steel

internationally known for their abilities in metal forming. Powdered Metal Products is leader in its type of processing. Kropp Forge has completed a million dollar expansion to meet demand for forgings.

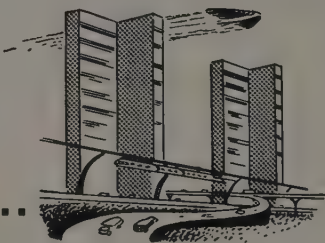
While the list of parts manufacturers seems endless, hundreds and eventually thousands of addi-

tional firms will be required in this area. They are and will be needed to fill the demands that arise from new developments and new industries. Specialists are needed in the new processes of plastic-metals, carbides, titanium and in such fields as atomic energy for commercial uses, automation of industry, and transportation by jet aircraft.

A contribution of incalculable value by the parts manufacturer has been the quality and quantity of tool invention and process development that has stemmed directly from their work. In order to stay alive in a highly competitive business, job shops have had to meet the demand for speed, precision and lower costs. For an example, Rouse and Company, manufacturing military items during World War II, developed a hand miller for its own use. A decided improvement over previous methods, it is now manufactured for sale to others. Another Chicago firm, Acorn Manufacturing Company, marketed a grinding fixture for circular form tools.

Thus the parts manufacturers have aided in the betterment of the national standard of living. Through the services they offer, through the techniques and tools they have created, they have furthered the principle of mass production and low cost by which manufacturers of finished products have been able to supply the American family with the conveniences and luxuries that abound today.

We're LOOKING AHEAD to the Next Fifty Years...



Think Chicago has come a long way during the past half-century? It's nothing compared to what its progress will be in the next 50 years.

It's taken planning, imagination, and effort to make Chicago great — it will take much more of the same to continue the spectacular record of growth in years to come.

We like to know that, by serving Business, Engineers, and Architects, who are so vital to any city's growth, we have helped and are helping build a bigger, better Chicago.

Specialists in copying since 1897

BRUNING

*Everything for the Engineer, the Architect,
and the Draftsman*



All manner of uniforms are made in Chicago

Korth photo



Price range on dresses is wide

Hedrich-Blessing

TEXTILE GAMUT— FROM GIRDLES TO CIRCUS TENTS

Chicago Ranks Second Only To New York City As Biggest Producer

HERE is little that men or women wear that isn't manufactured in Chicago or the surrounding area. Leafing through the pages of the classified telephone directory, you will find companies that supply bargain basements across the land with cotton dresses which retail at \$1.98 and, a few pages away, other dress makers who stock the plush, thickly-carpeted fashion salons with creations that bear a \$200 price tag. You will find men's clothing manufacturers whose products sell from \$45 to \$245 or more, as well as important segments of the trousers, uniform, workglove, hat, millinery, and necktie industries.

Chicago is not the largest textile producer in the nation—New York has that title—but it is head and shoulders above any other area. Latest figures show approximately 1,300 textile plants in the Chicago industrial district. They employ about 55,000 workers and produce merchandise valued at close to three-quarters of a billion dollars annually.

Three of the most famous names

in men's clothing are Hart, Schaffner and Marx; Kuppenheimer, and Society Brand. The three firms, among the largest in the business, are located in Chicago. Recently Society Brand became a division of Hart, Schaffner, and Marx.

Men's Furnishings

One of the nation's largest men's furnishings producers, Wilson Bros., has headquarters here and manufactures just beyond the city's doorstep, in South Bend, Ind. Wilson makes everything from neckties to underwear, and from pajamas to dress shirts.

Men's belts, made of such exotic materials as snakeskin and East Indian buffalo hide as well as the more prosaic cowhide, calfskin, and pigskin, pour out in a never-ending stream from the West side plant of A. Stein & Company. Stein invented men's garters and the world-famous slogan, "No Metal Can Touch You," in Chicago 63 years ago. Today, the firm is the world's largest manufacturer of elastic goods.

A sizeable percentage of A.

Stein's elastic production goes into girdles, bras, and foundation garments. Among the city's other major producers in this field are Formfit, Gossard, Venus, Blair, Powell, and Kabo. Elastic undergarments are an estimated \$50 million a year business (wholesale sales volume) in Chicago. Formfit, one of the two or three largest firms of its type in the nation, distributes to about 35 foreign countries.

Chicago is pre-eminent in the manufacture of upper-priced dresses and is a leader in the manufacture of daytime dresses, housecoats, and fine-quality coats and suits for women.

But apparel is only part of the Chicago textile story. The industry includes companies whose customers are a long way from State street and far from the retail end of the distribution chain. These are the producers of industrial textiles—conveyor belts, wiping cloths, book binding, packaging materials, tarpaulins, and electric wire insulation, to mention a few items. You can obtain some idea of the size of this industrial market from the

fact that the Ford Motor Company alone, in an average year, uses automobile parts that require 47,000 bales of cotton, three million pounds of wool, and the equivalent of 360,000 bushels of flax seed.

According to the U. S. Department of Commerce, Midwest firms employ 40 per cent of the workers who manufacture paddings and filling used in upholstery, 20 per cent of the workers who reprocess textiles (largely for the clothing and furniture industries), and 40 per cent of the workers who make coated fabrics, such as oil cloth, artificial leather, and electric wire insulation. Chicago contains the lion's share of these plants.

The world's largest exclusive manufacturer of industrial sewing machines, Union Special Machine Company, is a Chicago firm. The Union Special label appears on 3,000 different kinds of sewing machines used in making men's shoes, paper bags, automobile seat covers, sausage casings, vacuum cleaner bags, military cartridge belts, and many other items. The machines can be found in every country outside the Iron Curtain.

Circus "Big Tops"

Most of the circus "big tops" used in this country are manufactured in Chicago. The producer is U. S. Tent and Awning Company, which boasts that its tents are "made in Chicago, but raised all over the world." The firm is said to supply about 80 per cent of the American demand, and outfits circuses in Europe, Central and South America.

Some circus big tops measure 220 feet wide and 450 feet long and hold up to 8,000 customers. During World War II, U. S. Tent and Awning, together with other Chicago fabricators, produced canvas movie theaters with an average seating capacity of 3,000 for military bases around the world.

Chicago area canvas makers also helped produce a portable airplane hangar used extensively in the Aleutians during the war in the recovery of downed bombers. When a plane went down, another ship—carrying the hangar—was sent to the spot. The tent was placed over the damaged aircraft, enabling mechanics to work in temperatures as low as



Preconditioning men's suiting at Ed. V. Price and Co. Korth photo

40 degrees below zero and in winds up to 70 miles an hour. Since the end of the war, the industry has been working extensively with the U. S. Quartermaster Corps on arctic survival shelters. Portable tents have been developed which are capable of protecting up to 50 men.

Chicago's many-faceted textile industry includes the world's largest manufacturer of flour sack towels, and the manufacturer of what is believed to be the largest American flag.

Flour sacks are the modern counterpart of a process that has its roots deep in the history of America's frontier. Pioneer homemakers converted flour, potato, and other textile bags into clothing. Today, these sacks, collected from bakeries, milling companies, and soft drink manufacturers, are processed into dish towels; being lintless, they're ideal for this purpose. Excello, Ltd., considered the largest firm in the business, is located on the city's near west side. The company uses every part of the bag, including loose threads and the grains of flour and sugar that stick to the fabric. The former is made into industrial wiping material, and the latter—which fills several freight cars a year—is sent to fertilizer plants.

Marshall Field & Company used the largest flag on V-J Day in 1945. The manufacturer, WGN Flag and Decorating Company, made an American flag 26 stories high, which was suspended from the roof of

Field's State street store. The flag weighed 2,825 pounds and contained more than 4,000 square yards of cloth. It came down to a point near the first floor ceiling of the store and then looped upward to the top of the building. The installation required blocking off State street, between Randolph and Washington and putting a 30-man crew to work for 12 hours. To make the flag, the company had to lay out the material in a street alongside its plant.

A sizeable percentage of the uniforms worn by doormen, waiters, and bellhops in hotels, as well as by policemen, firemen, and plant guards, is made in Chicago.

In the early days of the men's clothing industry, the price a retailer paid for a suit depended largely on whom he was dealing with. As one official put it: "The general practice was to sell at the best price obtainable. The owner of the clothing house was the one who had the final say. Often, he could be persuaded to sell at a price lower than the one quoted by his salesman. As a result, most merchants insisted on doing business only with the owner." Hart, Schaffner and Marx and Kuppenheimer are generally credited with originating the one-price idea. Today, it is the rule throughout most of the industry. The end of the two-price system laid the groundwork for the national distribution of clothing, for it meant that salesmen traveling the country could quote definite prices.

Industry Firsts

Between them the two firms are counted for several other firsts in the industry—national advertising, the use of "swatches" instead of bulk trunks filled with sample garments, the development of "sizing" from what was little more than guesswork into a science, and light and medium weight clothing for men.

In 1911, Hart, Schaffner and Marx signed an agreement with its employees which is considered today a kind of textile industry Magna Carta. For, with this agreement the company became the nation's first major textile manufacturer to recognize the principle of arbitration of grievances, an idea that controls labor-management relations throughout the industry today.



Mimeographs are result of Albert Blake Dick's need to reproduce lumber price lists

Chicago's Role In Office Equipment

Mimeograph, Addressograph, Comptometer and Ditto Machines

All Were Born Through Inventions of Chicagoans

CHICAGO is the distribution hub of "everything for the office," and the manufacturer of many items, from staples to business machines and office furniture. From the inventive genius of some of the city's early settlers have stemmed improvements that have taken out much of the tedium and drudgery of office work and made possible new standards of efficiency in the conduct of business throughout the world. The Addressograph was born

in Chicago, as were the Comptometer, the Ditto and a host of other machines, devices, forms, and the like.

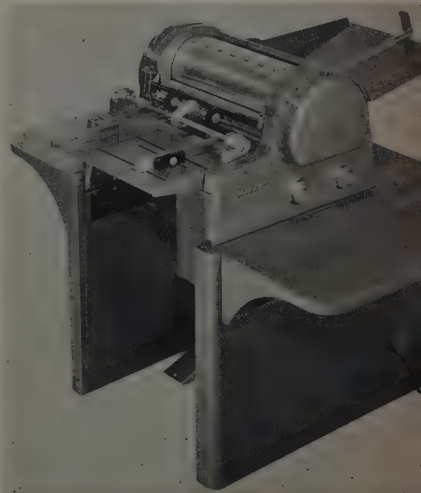
Dorr E. Felt in 1884 used a macaroni box, some meat skewers and a handful of rubber bands to produce the first crude model of the Comptometer. It was the world's first key-operated adding and calculating machine, but far from exciting interest among the bookkeeping and figure totaling fraternity, it met resistance

at almost every turn. The mental wizards of those days who could add three and four columns of figures at a glance feared for their jobs.

Seven machines comprised the total output of the company formed by Felt in 1886. They were wooden box models, with no safeguards. Keys had to be struck one at a time to prevent errors in operation. It was not until 1905 that the machine began to take hold. By that time the present corporation of Felt & Tar-



This was a modern office about the time of World War I



Recent model Ditto



Even maps are taken in stride by modern duplicators

rant had been formed; the wooden box had given away to a steel case, and improvements had been made for speed and ease of operation and to eliminate chances for error.

Victor Adding Machine Company is relatively young but since its establishment here in 1918 it has become a leader in its field. Last year, the company started on a program of diversification of products, one being an electronic "brain."

A. B. Dick Company was estab-

lished in 1884. The word "mimeograph," coined by A. B. Dick, founder of the firm, has become a generic term. He derived it from the Greek "mimeo," to copy, and "graph," to write, to describe the method of stencil duplication he invented. The company is the largest manufacturer of mimeograph machines and mimeograph supplies in the world. It also manufactures other duplicating equipment and supplies and related items, among them letter folding

machines. The firm recently moved its manufacturing facilities and offices to a new plant in Skokie where it employs 1,500 people.

The first Ditto machine was born of an idea developed almost a half century ago by a clerk employed in the shipping department of a large mail order house. Appalled by the unnecessary waste of time and money in the copying of orders, tags, bills of lading and other shipping and invoice forms, rewritten not once but many times, he quit his job and taking his cue from the hectograph (process of gelatin) process of reproduction came up with a duplicator called the Billograph, a sectional metal device with bedplate, side frames and carriage, which became the Ditto machine. The Ditto trademark was adopted in 1918 when the company name was changed to Ditto. In 1920 Ditto now operates ten plants, including seven in the Chicago area and one each in Oakland, California, Cincinnati, and Lodi, N. J., and has 1,500 employees on its payroll.

The first gelatin rolls for the Ditto machine were supplied by The Hoyer Corporation, established several years earlier. T. A. (Ted) Hoyer got the idea for his gelatin duplicator from the Chicago Hektograph, in 1901. It is still a basic shelf item in stationery stores from coast to coast. The company's initial line, however, has been expanded to include stencil and spirit as well as gelatin duplicators, and supplies. Three and a half years ago, Hoyer introduced a portable addresser, small enough to be carried in the palm of the hand and containing a tape holding 25 addresses.

National Association

Chicago's significance as a center of office equipment and supplies was attested early with the formation here of the National Stationery and Office Equipment Association in 1904. There are close to 200 manufacturers of office and business machines and office supplies in the Chicago area, many more than 50 years old and some over a century.

Meyer & Wenthe has been supplying marking devices since 1854. Rudolph Meyer was founder of the firm, now headed by the fourth generation of Meyers. He established the first steel die and engraving business in Chicago. The company is the largest rubber die and stamp

Happy Birthday...

A half-century can be measured in terms of time . . . or in terms of achievement. In time, the Chicago Chamber of Commerce is fifty years old—and can be proud to have served Chicago that long. But in terms of achievement they have telescoped many more years into the past half-century—helping Chicago to establish a record of progress unsurpassed by any other city.

The Gerts-Lumbard Co. is proud to have shared in this progress. We are one hundred and four years old ourselves (though we never felt younger!) and are looking forward to many more half-centuries of making top quality paint brushes for the nation—and sharing in the growth and progress of Chicago with organizations like the Chicago Chamber of Commerce.

GERTS-LUMBARD & CO.



Brush Makers Since 1850
3407 N. Kimball Ave., Chicago



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- World's Largest Cash Market For Corn and Soybeans. Also a Major Cash Market for Wheat, Oats, Rye and Barley.
- World's Largest Futures Market For Soybean Oil and Soybean Meal.
- World's Only Lard Futures Market.
- Visitors Always Welcome.
- See and Hear "The Story of the Market," Dramatic Illustrated Program Given Five Times Daily Beginning at 9:30 a. m. — Witness world's largest Commodity Market In Action From Public Gallery Overlooking The Trading Floor. Write for Free Educational Booklets Explaining How Both Cash and Futures Markets Operate.

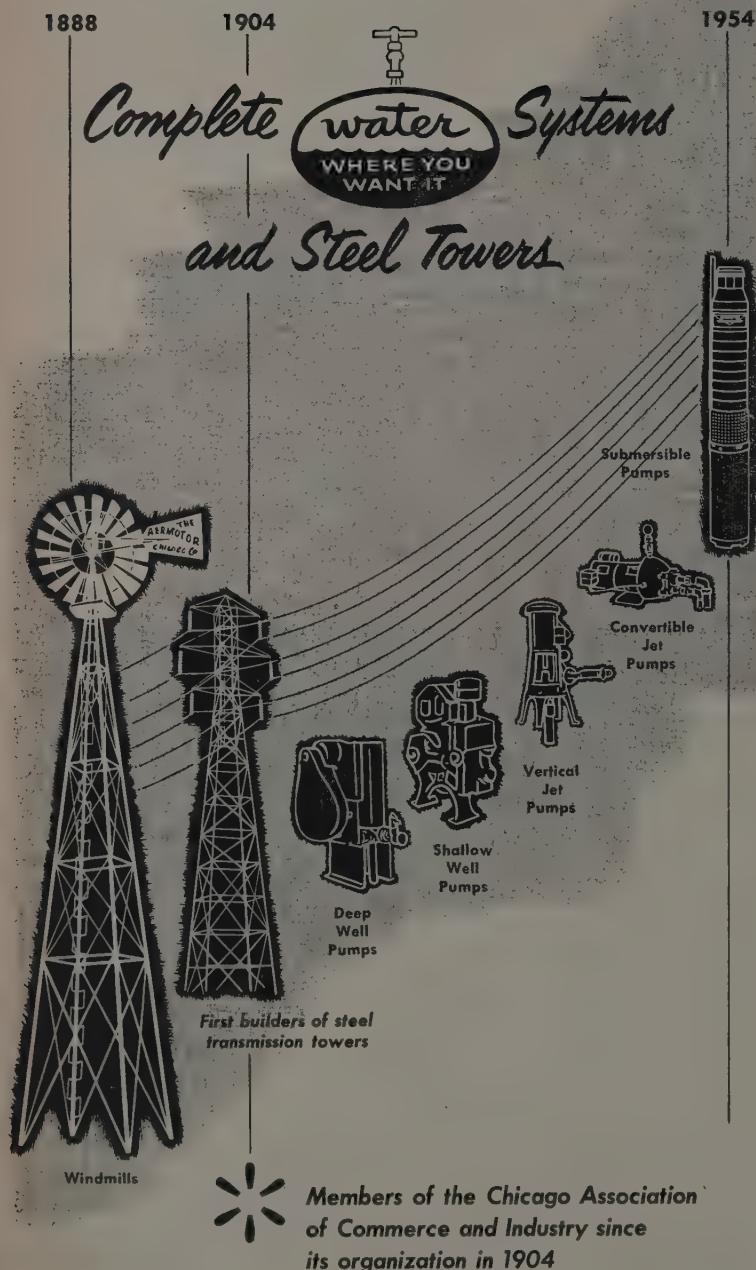
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manufacturer in the city, and holds important patents on notary and corporate seals.

Wilson Jones Company was established in 1897 when a clever mechanic, doing jewelry repair work in Chicago, invented and started manufacturing an aluminum holder for sheets of paper. Then known as Chicago Shipping and Receipt Book Company, the company, through acquisitions and mergers, has grown into one of the world's largest manufacturers of loose leaf equipment and record keeping supplies. It pioneered and developed loose leaf equipment and has made its DeLux trademark universally known for ledgers, post binders, record and minute books and associated rule forms and indexes.

Indexes and Tabs

G. J. Aigner Company is the oldest and largest exclusive manufacturer of indexes and tabs in the world. It was founded by G. J. Aigner, a old-world book binder and go-stamper, in 1909, as a manufacturer of leather tabs. Leather tabs now represent only one percent of the company's business. Aigner pioneered the sale of plastic tabs and around 1927 brought out the "insertable" tab, considered a revolutionary innovation at the time. Over 2.5 million sheets of regular insertable type and index tabs roll off its production line daily.

Consolidated Ribbon & Carbon Company also has come a long way since it was established in 1893. Its business has grown as new types of office machines and equipment have been developed, expanding the use and need for regular and special type carbon paper and inked ribbons.

Rockwell-Barnes Company has been manufacturing commercial stationery, including file folders, stenographer's notebooks, adding machine rolls, letterheads, memos and the like, for 51 years.

Ames Supply Company started its business in 1902, recovering and regrounding typewriter platens. It is now one of the largest suppliers of tools, platens and parts for typewriters and adding and other office machines. Shipman-Ward Manufacturing Company was established 30 years ago as a rebuilder of typewriters and today also is one of the

CURTISS CANDY COMPANY



Otto Young Schnering
Founder

Carrying on in the Great Tradition of a Great City



Robert B. Schnering
President



Philip B. Schnering
Executive Vice President

CURTISS salutes the CHICAGO ASSOCIATION OF COMMERCE AND INDUSTRY on its Golden Anniversary. These 50 years have really been golden and glorious years . . . building a great city greater in the greatest of nations.

We are proud to have been born in Chicago 38 years ago. Our cradle was a single room above a plumbing store on North Halsted Street. That we have grown steadily since is a tribute to the heritage that is ours . . . to the love, guidance, and inspiration of our founder, the late Otto Young Schnering, who was born, educated, and remained a Chicagoan.

Through our BABY RUTH, BUTTERFINGER, COCONUT GROVE bars, and many additional products, we are proud to spread the name and fame of Chicago...

In Chicago we have confidence and with Chicago we will continue to grow in all ways that reflect credit on the system and spirit of free enterprise that has made and preserved a strong and wonderful America.



CURTISS CANDY COMPANY, CHICAGO 13, ILLINOIS

leading suppliers of office machine parts.

The invitation to "Order from Horder" has built Horder's, Inc., to one of the largest retail stationery establishments in the country. It was founded over 50 years ago and, in addition to its retail outlets, operates the Associated Stationers Supply Company, wholesale distributor of stationery supplies and largest of its kind in the world. Associated's distribution is national.

Stevens Maloney & Company and Marshall-Jackson Company have been retailing office supplies for more than a half century. The nostalgic picture of the office boy with the eye shield, pencil behind ear and wide grin has long adorned trucks of Ed Garvey & Company specializing in business forms. It is estimated that there are more than 150 retail stationery outlets in Chicago.

Sanford Ink Company has made Chicago its home since 1865, occupying a three-story building on Fulton Street until a disastrous fire hit in 1899. The company then built what is said to be the first factory building ever constructed of concrete and steel. There it originated library paste, mucilage and an eraser to round out its line. Sanford took new

quarters in Bellwood in June, 1947, to make way for the Congress Street superhighway.

Mechanical pencils by the million have been turned out in Chicago by Eversharp, Inc., and Autopoint, Inc., two of the world's largest manufacturers of mechanical pencils. Among firms using office and postal scales, the names of Pelouze Manufacturing Company, Triner Scale & Manufacturing Company and Hanson Scale Company have been known for a half century or more.

Styles Changed

Styles in office furniture have changed considerably since Johnson Chair Company opened its first shop in 1868. The revolving or swivel chair has been improved and is no longer a hazard. The posture chair with foam rubber cushion has supplanted the perforated saddle chair with its molded seat and felt pad, which was quite an innovation 30 years ago. Johnson is one of only six exclusive fine chair manufacturers in the country. Some of its chairs made 50 years ago are still in use.

Central Desk Manufacturing Company brought out its first executive desk 72 years ago and published

its first catalog in 1884, featuring the old cylinder or roll top desk. The flat top desk was added to its line shortly after the turn of the century but the popularity of the old roll top persisted and it continued in production until about 20 years ago. Central still believes there is much to recommend the roll top but neither the craftsmanship nor the craftsmen are available to turn out the fine, detailed work required to produce what now is considered a relic of the past. Central remains first in the quality field of office desks. Its line consists of hardwood only, with walnut predominating.

In the past 50 years, metal has come into increasing use as a material for office furniture. Among the 20-odd manufacturers of office furniture located in the Chicago area, a number specialize exclusively in metal. One of the most prominent is Royal Metal Manufacturing Company, manufacturer of institutional and office steel furniture.

In the Seng Company, Chicago has one of the largest, and perhaps the largest, fabricator of office furniture hardware in the world.

Just for good measure, the National Office Furniture Association headquarters are here, too.

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WHY CHICAGO DRAWS CONVENTIONS

Over a Thousand Were Held Here Last Year, And the More
Than One Million Delegates Spent \$162 Million In the Host City

CHICAGO is host to more conventions than any city in the United States. In fact, Chicago is the leading convention city of the world, and conventions are big business.

During 1953 a total of 1,010 business, professional, fraternal, trade and other conventions were held in Chicago, attended by 1,270,381 persons who spent an estimated \$162,329,000 while in the city.

These statistics are conservative for a meeting is counted as a convention only if it includes a minimum of 100 people, and the attendance and expenditure totals are based primarily on out-of-town registrants requiring hotel accommodations. The statistics do not include trade shows (the bi-annual Furniture Show, for example), except for groups within an industry which may hold their conventions concurrently. Nor do they include public attendance shows (the "Do-It-Yourself" and automobile shows are examples), most of which bring hundreds of industry and trade representatives and thousands of out-of-town visitors to the city.

Important Factors

What gives Chicago its lead in conventions? Primarily its location, excellent convention facilities, numerous and diversified amusement and recreational attractions and facilities, including sporting events; famous stores and shops, and salesmanship, for while Chicago possesses many advantages as a convention city, like the best product, it still has to be sold.

Foremost in Chicago's appeal to



Everyone loves a parade. Shriners pass in review down Chicago's famed Michigan Boulevard during this Diamond Jubilee Convention
Oscar & Associates

national convention groups is its geographic location. It's a transportation hub and whether they travel by train, by plane or by bus, more people can get here easier and faster than any other convention city, and with less strain on the pocket book.

National organizations which pay all expenses of delegates or representatives to conventions have found it costs them less per person on the average to meet in Chicago than in any other city. The big saving is in transportation. Because it is more



Scene from the 1932 Republican national convention—one of 21 major political party conventions held in Chicago
U. P. photo

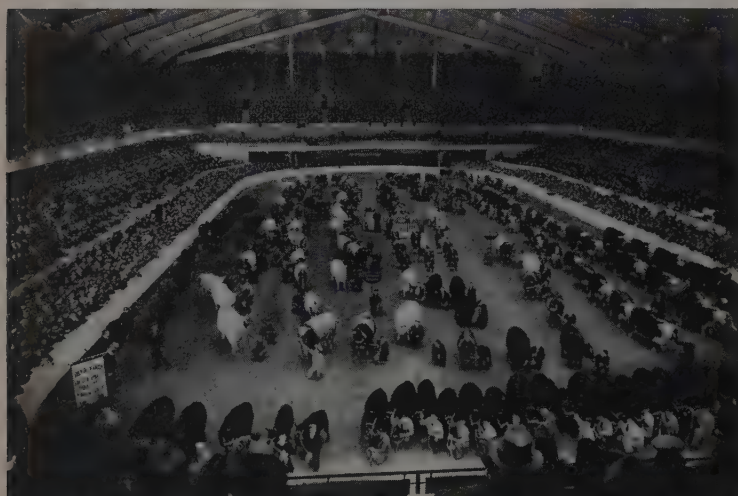
convenient to reach, Chicago also draws larger attendance and overall registration.

Facilities Unexcelled

Chicago, too, can take care of more people. Its convention facilities, particularly hotels, are unexcelled. It can supply as many rooms in two hotels as some competing cities can offer within their entire corporate limits. The concentration of large blocks of rooms within walking distance of each other gives the city an advantage in attracting large national groups.

There is always a hotel room to be had in Chicago. Even with seemingly every hotel in town "full up,"

the Greater Chicago Hotel Association can be relied upon to find accommodations for the "last minute" conventioneer or Chicago visitor who finds himself in the city without hotel reservations. In a single day the hotel association may handle as many as 300 telephone requests for accommodations. During one big 1954 trade show the association set up a reservation booth in the Merchandise Mart with a direct wire to headquarters where an up-to-the-minute tab is kept on hotel rooms available throughout the Chicago region. The hotel association now finds itself handling requests for reservations for the future as well as for immediate occupancy.



Prize cattle take the limelight at the annual livestock gathering in Chicago



Oscar & Associates

The trade show is an important adjunct of a growing number of conventions

The requests come in from all parts of the country.

The downtown area alone has 18,000 rooms for transient guests and when these are filled there are an additional 17,000 to draw on outside the Loop and in easily accessible adjacent Chicago suburbs. There are an estimated 135,000 rooms in the 1,365 residential and commercial hotels located in Cook County including approximately 100,000 rooms normally occupied by permanent residents.

Since 1860, when Lincoln won the Republican nomination for president, Chicago has been chosen for the national convention of the Republican and Democratic parties 21 times. The closest runner-up is Philadelphia with a score of seven. Perhaps nothing better attests the superior location and facilities of Chicago than the selection of the city by both parties for their national caucuses in 1932, 1940, 1944 and again in 1952.

They were not the largest conventions, however, that Chicago has entertained. The record was set by the National Tube Builders Association in 1947, with a total registered attendance of 83,000 persons.

Industrialized Area

Groups holding trade shows in connection with conventions find Chicago especially convenient because it is in the midst of a highly industrialized area, making it doubly advantageous for displays.

Chicago's educational, cultural and scientific institutions help attract national conventions of professional and kindred groups. Its miles of beaches, its museums, zoos, parks, theatres, restaurants and hotels, combine to make it almost a resort as well as a convention city.

Chicago combines all the ingredients that make for a successful convention so perfectly that many groups now meet here annually, others biennially. Among large, national organizations that meet here annually are the National Safety Council, American Petroleum Institute, American Management Association, National Association of Home Builders, National Stationers Association, National Association of Motor Bus Operators, and the Na

(Continued on page 362)



A man of vision, faith, spirit...

He saw a vision on a prairie, saw a city where a river joins a lake. And Chicago hasn't let him down, this Jacques Marquette—man of vision, faith, spirit.

Today, skyscrapers cast their shadows across his river. But the footpaths of explorers are traveled still by pioneers—restless, searching, building men who've made the past half-century the time of Chicago's greatest growth.

Here at Marquette Cement, we're mighty proud of our fifty-plus years of working with the many

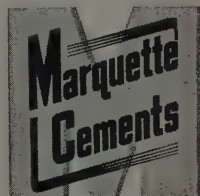
industries and individuals who've built our lusty giant of a town. We think our namesake might be pleased, too—to know that the cement which bears his name has played such a solid part in making his dream come true.

Like you, we look back with satisfaction. But even more, we like to look ahead. And we're pretty certain that the next fifty years hold an even greater promise of progress for Chicago. An individual, a group or a city with vision, faith in the future, and a driving spirit, just can't miss!

MARQUETTE CEMENT MANUFACTURING COMPANY

56 years in Chicago

GENERAL OFFICES: 20 NORTH WACKER DRIVE, CHICAGO 6, ILLINOIS



WANT ENTERTAINMENT?

Despite Fewer Legitimate Theaters And The Disappearance

By William Leonard



Randolph Street glitters at night



They play "Dixieland" at Jazz, Ltd.

"Wonderful Town" had a successful run in Chicago



EVERY week in the columns of *Variety*, the trade paper of show business, there is a department entitled "N. Y. to L. A." and another called "L. A. to N. Y." Each consists of nothing but a list of names of personalities who are planing or training between New York and Los Angeles. Those are the twin capitals of show business; the 3,000 miles between them are one solid hinterland, so far as Broadway and Hollywood are concerned.

There never will be a "Chi. to N. Y." or "L. A. to Chi." department in *Variety*, for Chicago is no capital of the entertainment industry. But in all the territory between Manhattan and Movieland, there is no metropolis so important to the amusement business — so bounteous of employment, so re-

warding in remuneration, so dependable, so discriminating.

Chicagoans themselves, when they realize there is nowhere near as much live entertainment available around town as there used to be, tend to grow frightened in the belief that the city is losing its place in the show business sun. They cite the dwindling number of legitimate theater attractions, the diminution in the number of night clubs, the disappearance of open houses, and ask, "What's the matter with Chicago?"

Nothing. Absolutely nothing.

The ailment (if it is an ailment) that they ascribe to the dwindling Chicago box offices is common from coast to coast, including the vibrant communities, "N. Y." and "L. A." Times have changed.

A citizen has a certain dollar to spend for entertainment. Fifty years ago he spent it almost all on vaudeville and stage shows, not only in Chicago, but in the smallest hamlet where touring stock companies kept the old open house alight. Then he bought a Model T Ford and reapportioned that dollar, attending the playhouse less often. About the same time he took to seeing the motion pictures, and readjusted his entertainment dollar once more.

The coming of talkies, of night baseball, of repeal, of wartime theaters, and of television, all have caused the same man to spend the same dollar in varying directions. But it's the same dollar (in inflationary times it may be \$2, without altering the situation), it's bei-

The author is a member of the editorial staff of the Chicago Tribune.

IT'S ALL AROUND YOU!

Of Opera, Chicago Still Offers Plenty



Chicago's five race tracks draw hundreds of thousands



Within 40 miles of Loop are 160 golf links

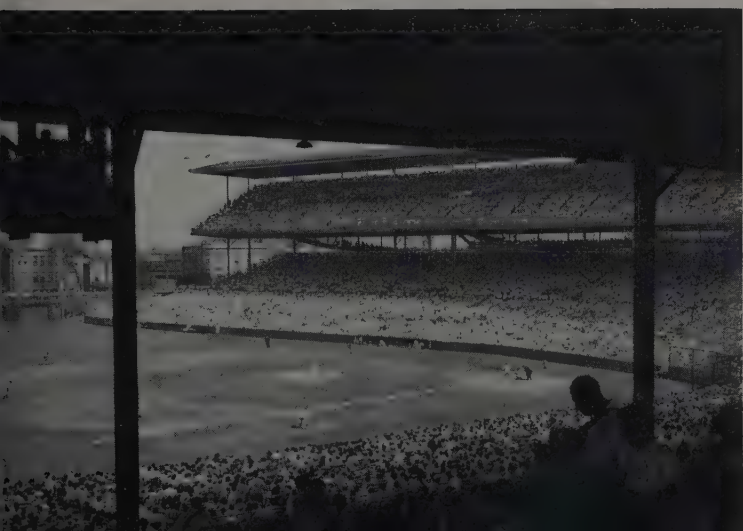


Oak Street Beach—popular cooling-off place



Lake Michigan regatta

Wrigley Field, home of the Cubs



It's Riverview Park for thrills



spent, and the same entertainers who worked in one medium just move into a different medium when the occasion arises. The more it changes the more it's the same.

To examine the picture in chronological order, we'd have to start with the vaudeville and stage shows on which the citizen of fifty years ago was spending that dollar. Vaudeville has been gone so long you can't even locate its grave, though its grandson is doing robustly well on television. The legitimate stage's shrinkage in Chicago can be traced accurately and in detail.

The biggest "legit" season in the history of Chicago was that of 1925-26 in which 23 houses were operating and there were 101 productions that played a total of 659 weeks. The advent of the sound track at the neighborhood movie house, together with the depression, reduced the number of active playhouses to four by the late '30s when there was an average of about 25 shows a year reaching the Loop, and very few of them playing more than two weeks.

The entertainment dollar swelled

to \$2 during World War II, and the statistics went temporarily berserk, but we can take the postwar season of 1946-47 as representing the status of the legitimate theater in Chicago fairly. That year, there were nine houses in operation, and there were 32 first nights, bringing plays that ran a total of 282 weeks. It was a respectable comeback.

Since then the legit has fallen off steadily, until last season (1953-54) there were only three houses in full operation, and there were only 17 productions, which ran a total of 158 weeks. The Shubert, the Erlanger and the Harris are the only legitimate theaters that provide their staffs with anything like a full time job. The Great Northern has housed a few winners in recent seasons. The Civic Opera House about once a year houses something like "Porgy and Bess." The Selwyn and the Blackstone each had two stage attractions in the 1953-54 season, averaging four weeks apiece, which is just about as close to inoperation as you can come.

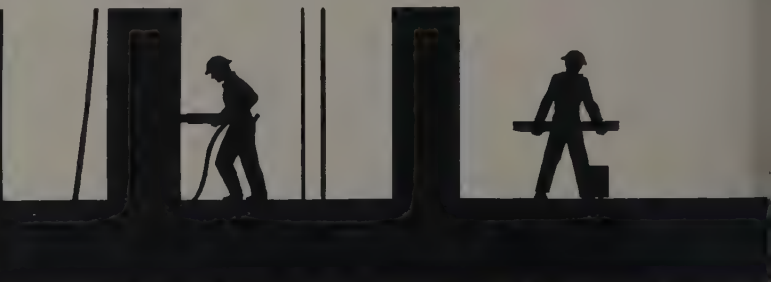
Those statistics look grim and localities interested in the future

of the drama in Chicago sometime have been given to sounding off with opinions that Chicagoans have ceased to care; that the critics, particularly the Tribune's belle dame sans merci, are scaring shows away that the scalpers have chased the customer away. All three notions are just nonsense.

We Still Care

Chicagoans haven't ceased to care. There aren't any shows coming to town because there aren't any shows on the road. The disappearance of attractions is no local phenomenon; it's nationwide. There aren't even many attractions on Broadway, compared to the levels of a few years ago. It costs a fortune to produce a show. It costs a second fortune to produce it again for the road.

Critics aren't scaring shows away. No producer ever put a show on the road with the intention of bypassing Chicago because he was afraid of tough reviews. This is still the only city outside New York where a legit show can settle down and run for six months or a year.



Chicago is expanding...

AND SO IS LA SALLE

In 1940 when La Salle National moved to the Field Building, 7,989 Chicagoans banked at La Salle; today over 46,000 do. In this fourteen year period deposits have increased 1,600%!

That's real progress... progress that's typical of the growing, thriving Chicago of the last half-century.

To take care of this increased volume of business, and confident that continued growth is in prospect for La Salle—and for Chicago—new improved and expanded quarters

will be opened in the Field Building in the near future. They're designed to give you greater banking comfort and convenience in the Loop.

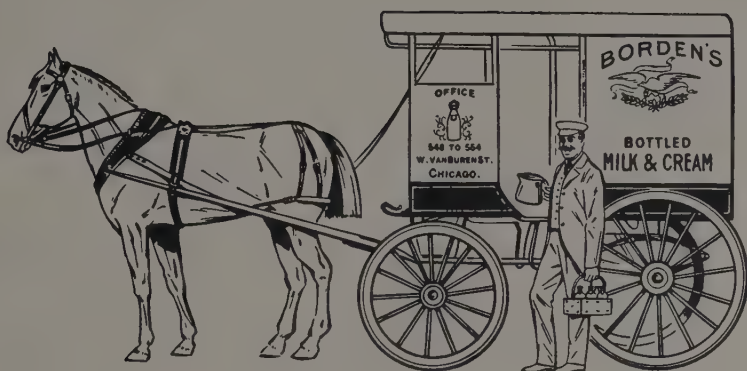
Plan an early visit to this growing Chicago bank!



La Salle

NATIONAL BANK
FIELD BUILDING
135 So. La Salle Street, Chicago 90
Complete Trust Services

Member Federal Deposit Insurance Corporation



Borden and Chicago have grown together

In 1892 Borden began to distribute fresh milk in Chicago. A few years later Borden became the first distributor here to use the sealed glass bottle as a container for fresh milk. From that time until now Borden has been progressive and forward-looking—like Chicago itself.

As Chicago has grown and diversified, so has Borden. An ever increasing variety of quality dairy products has been added to the Borden line.

Several of the units which now comprise our ice cream operations date back more than 50 years.

The list of Borden "Firsts"—advances in processing and distributing dairy foods, in Chicago and nation-wide, has been impressive.

We are proud to have had such a large part in supplying the food needs of Chicago's ever increasing population. We are thankful that Chicago and Borden have grown together. We are also confident that both will continue to grow.

THE *Borden* COMPANY

Greetings

to the Chicago Association of
Commerce and Industry
on this

your 50th Anniversary . . .

fifty years

of dynamic thinking

and action in Industry,

in Commerce,

in Finance, in Culture.

READ THE ROSTER of members of The Chicago Association of Commerce and Industry, over your fifty years of action, and you'll know again the reasons for Chicago's intent and accomplishments and fame.

In our beginning, you extended understanding, friendly and strong right hands to us; gave us lifts over those beginning bumps that looked like ranges of mountains to us.

That was so long ago, and today Workman Service is half as young as you are now. You, our "Chicago Association," are fifty years young; we are twenty-five years young.

I wonder, do you remember our gawky youth when we first peered into your offices, obsessed with the magic of a money-saving, time-saving method that we had developed to lick office OVERloads? You always invited us in and listened, and soon, you gave us two, helping hand-holds on a quarter century of satisfactions. *How* we worked, and *how* you loved it.

Then, when we were five, maybe ten years of age, you commenced to believe in us without reservation. And when the interrupting, burly office OVERloads would slide across your desks, scattering *routine* to hellengone . . . *you'd* think of us as *your branch office* and call us . . . and go on home to her with a smile.

How wonderful to know you. How proud we are to be a part of our great Chicago. What a privilege we enjoy to make our living here. What incomparable recognition we (and the folks who have helped us to earn it) have received from you Chicagoans.

Your confidence has enabled us to fly our banner high . . . just under the flying banner of The Chicago Association of Commerce and Industry.

In all sincerity,
S. L. Workman

Workman Service, Inc.

109 N. Wabash Avenue • Chicago 2

RAndolph 6-8250

And in New York, Los Angeles, Minneapolis

"Time Out for Ginger" has just completed a 38-week engagement at the Harris. It won't run more than two weeks anywhere else on the road. Chicago is THE city for traveling stage shows. Many a production has staggered around the deadfalls for months, awaiting an opportunity for a chance to get into the Loop where it might start breathing healthily again. Many another, when it has failed in Chicago, decided right then and there to abandon the rest of the tour, because if it couldn't make good here it certainly couldn't do better anywhere else.

The scalpers haven't chased the customer away, either—at least not in the last ten years. They had fifty years to chase them away, and the customers kept coming when there were good shows around. When there aren't good shows—and that means most of the time in recent years—the scalper crawls back into his hole and the customer is extinct.

Movie Comeback

You don't hear the legit people crying about the movies' competition so much, any more. Instead, you hear the movie people moaning softly about the inroads of television. But moviewise, Chicago is one of the greatest box office cities in the nation. More than a hundred little neighborhood film parlors gave up the ghost before the TV tidal wave started to subside, but the score here was no worse than anywhere else. Now things are looking better. The Loop is the site of practically the last stand in America of the combined stage and movie show, and citywide, receipts are 16 per cent ahead of a year ago.

The night clubs have dwindled to a handful of really important ones. Chicago's two largest hotels—the Palmer House and the Conrad Hilton—are the only hostelrys still offering full scale floor shows in a town where every hospice of "name" pretensions offered cabaret entertainment only a few years back. The Empire Room of the Palmer House has been staging excellent revues with a surprisingly consistent pattern of family acceptability ever since its opening in 1933. The Boulevard Room of the Hilton has

been tremendously successful with series of ice skating revues since 1948.

The Marine Room of the Edge water Beach, where several generations of prep school swains have taken their prom dates, is being transformed into a Hawaiian chamber of grass skirts and aloha music. The Blackstone, the La Salle, the Sherman, the Drake, the Sheraton, the Bismarck, and the others have found it prudent to discontinue acts and to woo the diners with nothing more than dinner and dance music.

The tiny jazz lounges along Randolph street are almost all gone, and the Blue Note is the only night club in town with a policy of booking "name" jazz acts. A few outlying jazz parlors survive, along with a scattering of neighborhood lounges continuing to feature instrumental trios on little stage midway along the back bar.

The unions have singled Chicago out for a couple of cute gouges that have helped put a few places out of business. This is, for instance, the only town in the country where musicians are permitted to work only five nights a week—which means that a band gets as much from a Chicago cabaret in five nights this week as it got for six nights' work last week in Milwaukee and will get for six nights next week in St. Louis. The Chicago cabaret owner has his choice of paying a relief band to work the extra night, or of staying dark and amputating one-sixth of his week's potential revenue.

Chicago Symphony

Culturally, the town has held its own. The Chicago Symphony Orchestra, one of the oldest and wealthiest in the country, is experiencing a resurgence under the direction of Fritz Reiner after more than a decade of storm and strife following the death of Frederic Stock. Its 28-week season in Orchestra Hall brings many a sellout, and subscribers cherish their seat locations from one generation to the next.

That isn't Chicago's only symphonic music, however. The orchestras of all the leading cities of America and Europe have played here in the last decade, as many

A toot from the Hart Schaffner & Marx trumpeter!

Fame paid an overnight visit to Mrs. O'Leary when her fabled cow kicked over a lantern to set the city of Chicago ablaze in the fall of 1871. Six months later, with the city squaring its shoulders to rebuild, two young men, 21-year-old Harry Hart and his 18-year-old brother Max, staked their modest claim to hard-earned fame with a small retail clothing store on State Street.

Within a year, Harry Hart and Brother carried their shingle over to S. Clark Street; two years later opened up a second store on the same street. Not long after, an out-of-town merchant, admiring their stock, asked the boys where they purchased their garments . . . and with their offer to sell him five or six suits they embarked on their career as clothing manufacturers.

The first wholesale partnership with two brothers-in-law, Levi Abt and Marcus Marx, quickly followed. Eight years later, in 1887, "Hart, Abt & Marx" gave way to "Hart Schaffner & Marx" when Abt withdrew to establish his own business and bookkeeper Joseph Schaffner, distant cousin and close friend, joined the partnership in his place.

Today, nearly three-quarters of a century later, the nation wears the clothes that Chicago makes. And the name of Hart Schaffner & Marx stands as America's *first* name in men's clothing . . . named *first* by one out of three U.S. men in year-after-year surveys. Through three generations, the history of Hart Schaffner & Marx has been a history of "firsts."

At the turn of the century, while Chicago reversed its river . . . and State Street salesmen were admonished to remove hats and cigars while waiting on the ladies . . . Hart Schaffner & Marx led the city's growing clothing industry in a new direction with the *first* national advertising campaign.

In 1906, Hart Schaffner & Marx was *first* to offer proportional fit in men's clothing . . . a size and shape for every man from 5' 2" to 6' 5", from 95 to 350 pounds.

In the field of labor relations, Hart Schaffner & Marx was *first* with a model agreement, as early as 1911. *First* clothing manufacturer to build its own factories in Chicago, Hart Schaffner & Marx today employs 4,000 workers in two plants.

In 1917, Hart Schaffner & Marx pioneered the development of the modern tropical worsted for summer wear with the *first* lightweight tailored suit . . . the famous "Dixie Weave."

A year later, 1918 . . . end of World War I and a new page in history . . . with Hart Schaffner & Marx *first* to "welcome" the homecoming "dough-boys" with greeting signs at the European ports, promising that "Hart Schaffner & Marx clothes are waiting for you in the good old USA." And again, in 1945, at the end of World War II, Hart Schaffner & Marx made international history, anticipating victory with a simple "Congratulations on a Job Well Done!" painted by a member of the Underground in Paris to greet liberating American forces!



From the beginning, a pioneer in the interpretation of fashion trends in ready-to-wear clothing . . . Hart Schaffner & Marx has been in the forefront of every new development in styling. Today, leading the trend to the more natural look in men's clothing, is the appropriately named "Trend" model.

Abreast of the modern trend to man-made fibers in suiting fabrics, Hart Schaffner & Marx was *first* to tailor a nylon fabric blend in 1949 . . . *first* with an Orlon blend in 1950 . . . *first* with a Dacron blend in 1951.

As Chicago grows, so grows Hart Schaffner & Marx. In 1949, Hart Schaffner & Marx gave State Street its most modern men's clothing store . . . the associated Baskin retail store.

Headed by Meyer Kestnbaum since 1941 Hart Schaffner & Marx is still scoring "firsts" today. For the *first* time, the giant of the men's quality clothing industry this year expanded by affiliating a famous competitor as a separate division of the company . . . Society Brand Clothes Inc., founded in Chicago, 52 years ago.

We are proud to list America's *first* name in men's clothing on Chicago's long roster of famous names.

**HART
SCHAFFNER
& MARX**



a half dozen of them in a single season. The Chicago Business Men's Orchestra, an amateur symphony of business and professional men who rehearse in their spare time, gives three concerts a year under the direction of George Dasch. The Youth Orchestra of Greater Chicago is a symphonic aggregation of high school students; the North Side Symphony Orchestra plays in Thorne Hall at Chicago avenue and the lake. The Women's Symphony Orchestra is the only one that has fallen by the wayside in the postwar period.

Grand opera is not booming in Chicago—but is it booming anywhere? The resident opera company never regained its days of glory after the depression wrecked it, and finally disbanded after the season of 1946. We've been on a "road show" basis, operatically speaking, ever since, with the Metropolitan Opera, the San Carlo Opera Company and the New York City Opera Company singing occasional engagements at the Civic Opera House. This fall, for the first time in eight years, a Chicago organiza-

tion is offering an operatic season. The Lyric Theatre, with several "name" singers featured, has scheduled eight operas for a total of 16 performances in three weeks. We'll know more about the future of Chicago opera when the results all are in on that interesting experiment.

Concert Recitals

The concert recital business isn't what it was ten years ago, but as in the case of the legitimate stage, Chicago ranks as the No. 1 spot outside New York. There are about four recitals a week in the Loop these days, compared with ten or eleven each week in the first year or two after the war. The decrease has not been reflected in the regulation concert series at Orchestra Hall. The History and Enjoyment of Music Series, the Allied Arts Piano Series, the Musical Arts Piano Series and the rest of the subscription plans bring the same number of programs year after year, although attendance has fallen.

It is the debut recitals, those formerly held at the rate of four

or five a week in little rooms like Kimball Hall, Curtiss Hall and Fullerton Hall, that have all but disappeared. The woods don't seem to be quite so full of youngsters anxious to win a place on the concert stage.

Chamber music, too, has dwindled. The Clara Siegel played the Roosevelt College quartet and other small ensembles have disbanded or ceased giving public concerts. The Russian Trio, whose problem was unique, didn't give up the ghost but changed its name to the Pro Musica Trio.

Chicago hasn't been a great producing center since the days of the late Mort Singer, about 50 years ago. It's not going to become one now, although a fast-talking producer comes down the road, carpet bag in hand, every couple of years and tries to tell the town he's going to make it one.

Chicago is, as it long has been, the most important city on the road. And that, no matter how the mass spends the entertainment dollar we were talking about, is where it's going to remain.

Important Chapter in the Chicago Story!

IN THE thrilling story of Chicago, banking fills a noteworthy chapter. Banking, in all its many facets, has played a brilliant role in Chicago's growth, its industrial expansion, its business progress, and its scientific, cultural and sociological development.

Lake Shore National Bank is proud of its contributions to the Chicago Story. Especially significant is this bank's dominating role in the amazing development of the Near North Side, where Lake Shore, established in 1920, is the oldest bank on the famous Magnificent Mile.

The Chicago Story is far from complete. The passages on your current and future business progress are yet to be told. Lake Shore National Bank, with all its many services, stands ready to help you add to the Chicago Story.



All These Services Are for YOUR Use

Savings Accounts
Checking Accounts
Commercial Loans
Mortgage Loans
Auto Loans
Personal Loans
Loans to Small Business
Property Improvement Loans

Drive-In Service
Bank-by-Mail
Safe Deposit Vaults
Trust Department
Foreign Exchange
Letters of Credit
Bank Collections
Travelers' Checks

LAKE SHORE NATIONAL BANK

605 NORTH MICHIGAN AVE., AT OHIO STREET
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Wheat pit at the Board of Trade



Unloading grain at a Chicago elevator

The World Watches The Board of Trade

Futures Trade Topped 12 Billion Bushels Last Year

By William Ferris

THE Chicago Board of Trade, with more than 100 years of exciting history behind it, stands today as the world's leading grain exchange. Prices recorded in its turbulent "pits" are watched closely by countless individuals and firms, from little farmers to big government, throughout the world. The Board provides a market place for dealings in grains, soybeans, soybean products, lard and, to a very limited extent, cotton. The Board itself neither buys nor sells. Its members like to think of it as a sort of thermometer—no more responsible for the price than is a thermometer for the degree of temperature. But, just as one must look at a thermometer to find out how hot or cold it is, so must the world look at this free market to learn the price of grain.

The Board always has been the world's leading market in "futures" trading. It has relinquished its top

spot in handling cash (actual) wheat to Kansas City, and in cash oats to Minneapolis, but it still is first in cash corn and cash soybeans. In wheat and oats futures trading the Board of Trade is far ahead of the Kansas City and Minneapolis grain exchanges. Futures contracts call for the delivery of grain or soybeans at some future date. Usually these are the months of March, July, September and December.

Futures Trading

Futures trading got its start in the early days of Chicago when fleets of Great Lakes grain vessels arrived within a few days of one another. There was not enough elevator room in Chicago to store all the grain needed to fill these vessels. Hence, grain was held back in the country and bought by commission merchants for future delivery. The

merchants soon started buying and selling these future delivery receipts among themselves. Futures trading got a big boost during the Civil War when the Northern Army needed oats to feed its horses. The oats were bought for future delivery.

As the grain trade developed, millers, elevators and others wanted price protection for crops which were harvested within a few weeks but sold over a full year. Thus, they naturally were attracted to the hedging facilities offered by the futures market.

Trading in futures last year totaled 12,763,079,000 bushels, largest since 1937. Trading is conducted in octangular "pits"—a series of steps—on the exchange floor by brokers calling out bids and offers to one another, supplementing these calls with a series of hand signals. When a trade is completed, the

Golden Anniversary Congratulations from

Dennison Manufacturing Co.
— a charter member
of the Association

Dennison in Chicago has grown with the Association through the past fifty years. Dennison in Chicago, like many other businesses, reaches back beyond the founding of the Association. A sales office in 1868, now an integrated selling organization, factory and warehouse for the entire Mid-West.

The diversified uses of Dennison paper products bring them into contact with every phase of Chicago's commerce and industry.

★ Dennison resale lines — tags, labels, seals, crepe paper, gift wrappings — are distributed by Chicago wholesalers and retailers.

★ Gummed and coated papers for the printing trade are distributed by leading fine paper merchants.

★ Jeweler's cases, boxes and findings are distributed by wholesale jewelers.

★ Set-up paper boxes — Dennison-designed — are used by many manufacturers who take pride in the packaging of their products.

★ Dennison engineered and designed tags, labels, seals are used in production, marketing and shipping by manufacturers, transportation companies, service organizations, processors and packers, retailers and wholesalers.

★ Marking equipment — Pinning Machines, Dial-Set Machines and new Print-Punch Machines — speed up price-marking and stock control in retailing, production and inventory control in industry.

This brief resume shows why the Dennison pages in the Chicago story reflect business friendships and loyalties — past, present and future.

Dennison

MANUFACTURING COMPANY

64 East Randolph Street
RAndolph 6-2010

brokers mark down the transaction on little cards which are turned in to the Clearing House at the end of the session.

The futures market is extremely sensitive. It responds dramatically to a rainfall in Kansas or an early frost in Canada. From all over the world news funnels onto the floor of the exchange, is digested there and sent out over the private wires of the brokerage houses.

How is the harvest getting along in France? That's important, because France may be an importer or exporter of wheat. How many hogs have arrived at the stockyards and how much do they weigh? That's important, because if farmers are selling hogs at light weights that will reduce consumption of corn on farms. How much grain has been impounded under the government loan? That's important, too, because the more grain stored under the loan the less there will be available for the free market. What are the prospects of war flaring up? What is happening in Washington on farm legislation? What subsidy is the government offering to wheat exporters? What is stem rust doing to wheat, the corn borer to corn? Dozens of puzzling questions confront the market each day.

Prices determined in the pits, marked up on the blackboards, and set out around the world, represent the effect of all the supply and demand forces pulling and tugging at the market.

News Service

Members of the Chicago Board of Trade have their own news service with headquarters on the exchange floor. It concentrates on news pertaining to commodities. Individual houses require their branch offices in the grain belt to wire in the weather and temperature each morning. This is distributed over the news service to all houses. The Chicago Weather Bureau forecasts for the grain growing region twice daily and issues eagerly awaited five-day forecasts on Tuesdays and Fridays. The Bureau also produces a weekly summary of what has happened to crops in each state during the week. A weather map is maintained on the floor. Weekly reports on crop prospects are issued by such companies as Quaker Oats and Car-

gill, Inc. Monthly reports come from the Santa Fe and the Chicago and North Western railways. Francis I. du Pont & Co., a commission firm, issues a monthly crop estimate, as does the United States Department of Agriculture. The grain trader is very well informed.

Futures make an essential contribution to the American economy; they enable millers, shippers, country and terminal elevators, processors, and others associated with the grain trade, to "hedge." Hedging is a method by which the risk of carrying cash grain for any length of time is transferred to speculators. The Board of Trade explains it this way:

"Anyone who owns grain assumes some price risk but hedging reduces the amount of risk by shifting it to others, including speculators. In the hope of making a profit, this latter group of traders is always willing, and ready to take the other end of a hedging transaction. This provides the hedger with price insurance—gives the market continuity, liquidity and greater price stability."

A typical hedge involves the operator of a country grain elevator who buys grain from a farmer. To protect himself against a price decline in the interim until the grain is resold to a flour mill or other user, the elevator operator sells a futures contract for a corresponding amount of grain through a member of the Chicago Board of Trade. The prices of cash grain and of futures contracts generally move together. Therefore, if the actual grain is resold for less than the elevator man paid, he can offset the loss with the profit he makes by buying in the futures contract at a price lower than that at which he sold.

Another common hedging operation is carried on by flour mill. Suppose a miller contracts to sell flour equivalent to, for example, a million bushels of wheat. The miller must then go into the market and purchase wheat and there is risk that the price of the grain may rise before he has made enough flour to complete the contract. To prevent this loss and assure a fair manufacturing profit, the miller buys a million bushels of wheat futures at the same time he contracts to sell the flour. As he acquires the actual wheat he sells equivalent futures. Thus, if the price of cash wheat goes



Morton office, built 1896, was replica of Boston State House. In 1954, Morton Salt dedicated laboratory to research in salt.



MORTON SALT...106 years in Chicago

Salt was one of the most important commodities in the frontier town of Chicago in 1848. The firm of Richardson & Co., predecessor of Morton Salt Company, not only supplied salt to the 20,000 citizens of Chicago, but that year shipped 36,656 barrels of wet salt down the recently dredged Michigan and Illinois canal to St. Louis.

Next year the Gold Rush was on and for California-bound adventurers a supply of salt was of first necessity. So great was the demand for this essential commodity, prospectors often had to wait until another boat load of New York State salt arrived in Chicago before they continued west.

The firm of salt merchants became Joy Morton & Company in 1885, and before the century's end had begun to produce its own salt, using the new vacuum process to make granulated table salt. The company was incorporated as Morton Salt Company in 1910.

Morton's is still a Chicago concern with executive offices at 120 South LaSalle street, but today has (the only) complete U. S. distribution of salt. Recently the company acquired controlling interest in the Canadian Salt Company Limited, whose plants are located from coast to coast in Canada. A new salt mine near Windsor, Ontario is nearly completed and will furnish rock salt for the Great Lakes area of both Canada and the United States.

For many years, Morton Salt Company has produced several heavy inorganic chemicals at its various salt plant locations. In 1951, the Company entered the organic chemical field when it affiliated with Ringwood Chemical Corporation, and later with Panogen, Inc. Sulfuric acid, fine chemicals, photographic chemicals and ingredients for Panogen, an agricultural chemical, are produced at the Ringwood, Illinois plant, northwest of Chicago.

This fall, members of Morton's research and development department have moved into the new Morton

Research Laboratory at Woodstock, Illinois, also northwest of Chicago. This is the first time in the history of the salt industry that a laboratory has been devoted solely to research in salt and in chemicals derived from it.

The diversification of Morton Salt Company interests follows more than a hundred years of careful expansion of the salt industry. Plants in Michigan, New York, Ohio, Kansas, Texas and Louisiana tap all major U. S. underground salt deposits. Morton has salt mines in Texas and Louisiana, but most of its nine U. S. plants obtain salt from wells which draw brine from the salt bed.

In Utah, salt is obtained from the water of the Great Salt Lake by a refinement of the ancient solar evaporation process. On San Francisco Bay, Morton refines, by the vacuum process, salt crystallized from the waters of the Pacific Ocean.

Thus, Morton Salt Company has grown from the days 106 years ago when horse-drawn wagons, loaded with barrels of salt, mired in the mud of Chicago streets.

West of Chicago at Lisle, Illinois, visitors from all over the world tour the Morton Arboretum. Here, on 1000 acres of wooded, rolling land is exhibited specimens of every tree, shrub and flower that will grow in this climate. The park is open to visitors, as are the museum, school and library.

Joy Morton, founder of Morton Salt Company, began the development of the Arboretum before his death 20 years ago. Part of the land was the site of his home, Thornhill, and he surrounded it with specimens of flora. Hundreds of acres have been added to the tract and the Arboretum is considered one of the finest in the world. Admission is free.

The contribution of the Morton Arboretum to Chicago is both scientific and cultural. And business-wise, Morton Salt Company has developed with the city, and the times.

Growing with Chicago...

American Steel Foundries salutes the ever-growing crossroads of America . . . the city that doesn't know what it means to stand still.

Chicago has been our home for over fifty years
... *the best years of our lives.*

AMERICAN STEEL FOUNDRIES

World's largest producers of steel castings

Executive Offices — Wrigley Building

INVESTMENT SERVICE

Since 1896

For more than half a century White, Weld & Co. and its predecessor firm, Moffat & White, have provided comprehensive financial service to individual investors, corporations, institutions and municipalities.

As The Chicago Association of Commerce and Industry observes its Golden Anniversary we pay tribute to this outstanding organization and look forward to continuing participation in the growth and progress of the Chicago area.

WHITE, WELD & Co.

Members Principal Security and Commodity Exchanges

231 SOUTH LASALLE STREET, CHICAGO

NEW YORK	BOSTON	PHILADELPHIA
LOS ANGELES	SAN FRANCISCO	NEW HAVEN
MINNEAPOLIS	PROVIDENCE	HAGERSTOWN
LONDON	AMSTERDAM	

up he loses on the flour contract but makes it up with the profit on the futures.

Millers and others associated with the grain industry have stated repeatedly that, because of the price protection they obtain through hedging, the price markup on their product is much smaller than it would have to be if there were no such thing as hedging. Banks are willing to make loans to companies in the grain industry if they hedge their inventories in the wheat pit.

Important Factor

Speculation is an important factor in futures trading and the speculator is vigorously defended by the Board of Trade. Without speculation, there could be no hedging the Board declares. In a Supreme Court decision handed down in 1905, Justice Holmes defined speculations as "the self adjustment of society to the probable." He said its value as a means of "equalizing prices" was "well known." As for the idea of outlawing speculation, Justice Holmes said "the natural evolutions of a complex society are to be touched only with a very cautious hand," and he added that laws to stop speculation "are harmful and vain."

Futures prices are a basic factor in the price that millers, corn refiners, soybean processors, exporters, shippers, and others, pay for cash grain. The Commodity Exchange Authority, federal government agency charged with responsibility for supervising commodity exchanges, said in its 1953 review, "Futures prices are the basis for cash prices not only in the large terminal markets but also in hundreds of local markets and country points where farmers sell the crops.

"Most of the wheat sold by United States farmers is priced in the first instance at so many cents or a fraction of a cent over or under the going price of 'July Wheat,' 'December Wheat,' or some other future contract on the Chicago Board of Trade. . . .

"Country grain elevators, in the great majority of instances, are guided by futures prices in posting their local buying prices and making offers to farmers. A substantial part of the cash income of farmer

CHICAGO

has been good to

James B. Clow & Sons

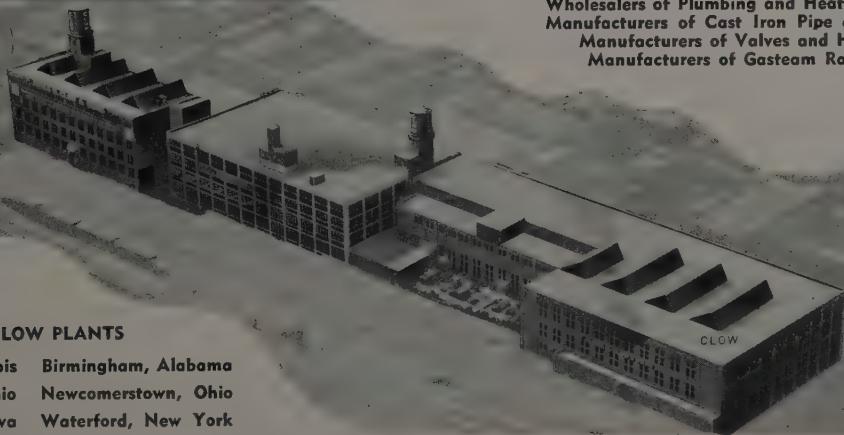
For more than three quarters of a century, Chicago and James B. Clow & Sons have prospered together—mutually helpful. In 1878, Chicago had 430 miles of pipe in its water system, serving 503,000 people. As the pioneer local supplier of cast iron pipe, Clow played an important part in the city's growth to its present 4,000-plus miles of pipe serving more than 4,000,000 people. Today the Chicago plant on Talman Ave. consists of 215,000 square feet containing the greatest inventory of plumbing, heating, pipe, valves and fittings ever assembled under one roof. James B. Clow & Sons ranks as one of the major producers of cast iron pipe in the United States.



In 1879, James B. Clow & Son rented its first store at 195 Lake Street, Chicago. Three years later, the growing young company proudly moved into the much larger building, 212-214 Lake Street, which is pictured at the left.

JAMES B. CLOW & SONS

201-299 North Talman Avenue • Chicago 85, Illinois



CLOW PLANTS

Chicago, Illinois	Birmingham, Alabama
Coshocton, Ohio	Newcomerstown, Ohio
Oskaloosa, Iowa	Waterford, New York



Captain James Beach Clow, for whom the Company was named, together with his son William E. Clow formed the original partnership of James B. Clow & Son.



William E. Clow as he appeared in 1878, when the original partnership of James B. Clow & Son was formed. The original capital was a \$300 advance on commissions paid by the Reading Iron Company, whose pipe the young business handled.

**Wholesalers of Plumbing and Heating Supplies.
Manufacturers of Cast Iron Pipe and Fittings.
Manufacturers of Valves and Hydrants.
Manufacturers of Gasteam Radiators.**

We Take Pride In Saying . . .

"HEADQUARTERS IN CHICAGO"

Since 1912 our main office has been in Chicago. Now we serve investors through offices in 25 cities and rank as one of the nation's largest underwriters of corporate and municipal securities.



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122 So. LaSalle St.—Fr. 2-8400

is derived from commodities sold at prices which buyers determine from day to day, or from hour to hour, by guiding on futures prices."

That is why the activity on the Board of Trade is watched more closely by those outside Chicago than those in it, why its prices are more important to a farmer in Kansas stopping at his local grain elevator than to a housewife in Chicago buying a loaf of bread at the corner store. Flour millers, corn processors, soybean refiners, buying missions of foreign countries, American government agricultural agencies, operators of the nation's 15,000 country elevators, all watch the Board's futures prices closely—as, of course, do farmers. Radio stations in the grain belt broadcast quotations several times a day. Demand for the quotations comes not only from the United States and Canada, but from other parts of the world. Tokyo newspapers want soybean quotations. Argentina and Great Britain want the wheat quotations. The prices set in the pits on La Salle street are flashed around the globe, and they hold meaning to the importer in England and the exporter in Australia.

Cash Grain

Chicago still handles a substantial amount of cash grain. Receipts of all cash grain last year totaled 198,449,000 bushels and shipments from the city 98,276,000 bushels. Grain experts believe completion of the St. Lawrence Seaway project may make Chicago the world's largest grain port. Now, grain for export must go by rail to Atlantic Coast, Pacific Coast or Gulf of Mexico ports. But Chicago is located nearer the grain growing territory than any seaport now used. Logically, Chicago will supersede Baltimore, Philadelphia and New York as the grain shipping port to Europe. It might even be cheaper to ship grain to Asia from Chicago than from the Pacific, using an all water route through the Panama Canal. Grain men also believe that, because of the St. Lawrence Seaway, it will be possible for the United States to offer grain at lower prices in the world market and thus possibly increase exports.

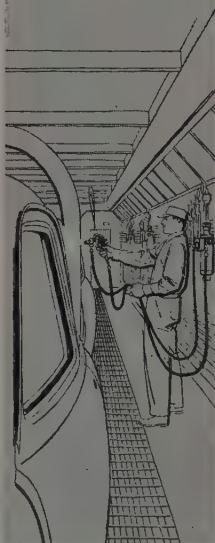
Cash grain arrives in Chicago

1893

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1954



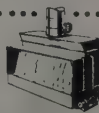
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each day by rail, barge and truck. Some grain—notably oats and rye—arrives by lake steamer from Canada. The bulk of arrivals comes by rail. Receipts vary each day but almost always there are more than 100 cars of grain on track in Chicago when the Board of Trade opens. It is not uncommon to have more than 1,000 cars on track during the peak of the post-harvest corn and wheat movements.

Each Carload Checked

Each carload of grain must be checked. Grain grade standards are set by the United States Department of Agriculture. Each morning inspectors employed by the State of Illinois take samples of the grain that has arrived overnight. As a double check in determining grain quality, the Board also takes small samples from each grain car. This grain is then brought to the Board of Trade Building where both the State of Illinois and the Board of Trade inspection departments are located.

Here, these small samples from the cars are tested. Such factors as weight per bushel, moisture content, damaged kernels and the presence of foreign matter are determined. The grain is graded, placed in small bags and taken to the floor of the exchange and to the grain commission merchant to whom it was consigned. Each bag represents one car of grain. The bags are stacked on desks along the north side of the exchange hall.

It now becomes the job of the commission merchant to sell this grain at the best possible price. He will take the bag to a potential buyer—a corn processor, a wheat miller or some other organization that wants grain. The potential buyer will make a bid. This may be a definite price—as \$2.25 a bushel for wheat. Or it may be a bid quoted in relation to the price at which wheat futures are selling—“I’ll bid 1½ cents over July,” the buyer may say.

The Board of Trade, founded in 1848, has its roots deep in Chicago history. A historian can hardly write a book about Chicago, and certainly not one on its business life, without stressing the contribution of the grain trade to the city’s growth.

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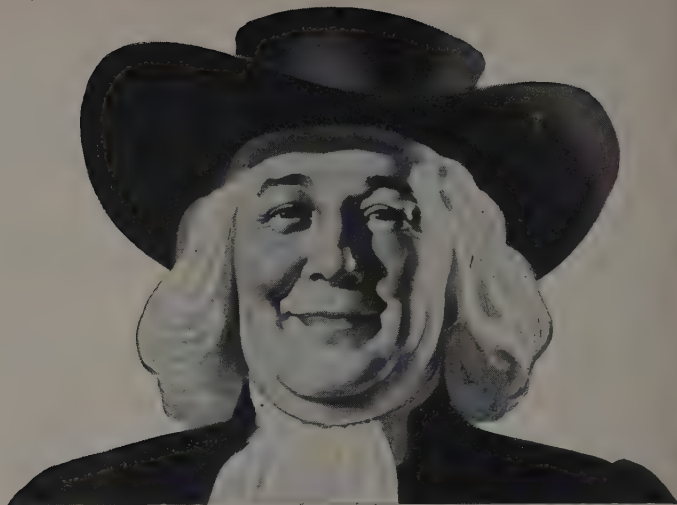
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WELFARE AGENCIES PULL TOGETHER

Concentration On Specific Problems Is Proving Successful

By

Wayne McMillen, Ph. D.

THE vast energy Chicago has poured into its magnificent commercial and industrial development these past 50 years has not dulled its awareness of the welfare problems that have accompanied its growth. In no other city has there been a more diverse and imaginative effort to conserve sound social life and to rescue and rehabilitate the victims of misfortune. Leadership in this work was initiated by private citizens working sometimes under sectarian and sometimes under non-sectarian auspices. In later years public authorities have assumed responsibility for continuing and developing many of these pioneer private programs.

Dr. McMillen is a professor of the School of Social Service Administration, University of Chicago, author of many books and articles on social welfare, and for many years president of the Chicago Housing Authority. He is a member of the Subscriptions Investigating Committee of the Chicago Association of Commerce and Industry.



Boys from Chicago's Randall House enjoy summer at camp

Hull House, founded by Jane Addams and Ellen Gates Starr in 1889, now includes 13 buildings in which a diversified program serves not only the immediate neighborhood but also a wider clientele attracted by the services and cultural opportunities it provides.

Other social settlements have sprung up in many congested neighborhoods with similar pro-

grams of assistance and education. In recent years these numerous settlements have banded together in a city-wide federation that enables them to share experiences and facilities and to act unitedly on problems of common concern.

The constructive benefits demonstrated by the early recreation programs of the social settlements have been expanded enormously under public auspices. The comprehensive

Neighborhood programs brighten older lives



Home delivery by the Chicago Maternity Center



program of the Chicago Park Board reaches, in one way or another, almost every citizen of the community and is commonly regarded as the model of its kind among American cities.

In earlier days, problems of poverty, unemployment, under-employment, and unemployability engaged the major attention of numerous groups concerned with relieving distress and conserving family life. Many of these groups tended in-

creasingly to concentrate upon the handling of specific types of family welfare or child welfare problems as experience demonstrated the complex character of most appeals for help. By focussing upon certain kinds of troubles, such as mental or physical disability, unmarried parenthood, child abandonment, marital discord and the like, the agencies found that their successes in rehabilitation were more numerous. Specialization thus became a means to

an end — and the end remained, as always, the rising of the level of family and community life. Many of these family and child welfare agencies are now well over 50 years old. Their programs change gradually as the needs of the community change. The leadership these agencies provide is essential to the stability of the vast metropolis.

When the unprecedented economic depression struck the nation in the 1930's, Chicago was better prepared than most cities to deal with the human side of the problem. In 1926, the Cook County Bureau of Public Welfare was started. This was one of the first modern welfare agencies operating under public auspices in the entire country. Unlike most large cities, Chicago thus had at hand an instrument that could be expanded to deal with the widespread distress of that period. Today bureaus of similar type may be found in all urban counties. The public agency in Chicago is outstanding, however, not only because it was among the first of its kind, but also because of its consistent emphasis upon good standards. The Cook County Bureau has from the outset worked in close cooperation with older private charities and has sought to emulate the best local practices in program and administration.

Juvenile Court

Another "first" among welfare organizations is the Juvenile Court of Cook County. This agency, established in 1899, was the first of its kind in the nation. At the outset interested citizens met certain costs of the new service and helped to formulate its precedent-breaking approach to the vexing problem of anti-social behavior among children. Speedily copied by other communities throughout the nation, the juvenile court is now an established American institution. Chicago continues to be interested in this pioneer agency. Periodically groups of citizens study the operations of the court and seek ways to improve it. As a result the facilities available to cope with delinquency among children have gradually been expanded and improved.

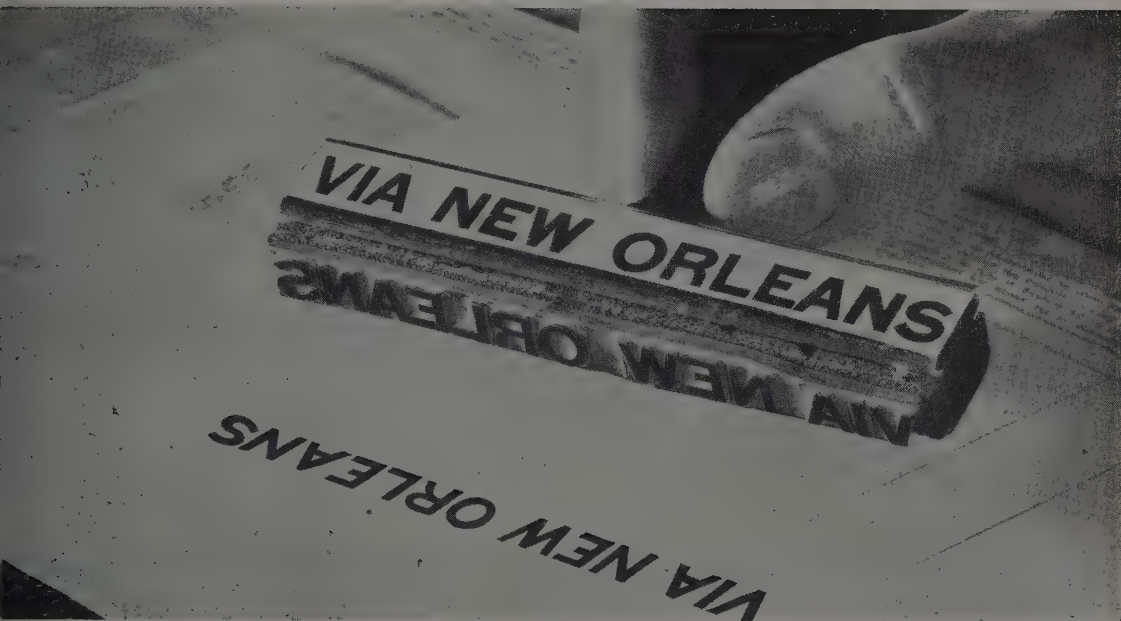
Some types of welfare problem



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require residential care. The pioneers of the city recognized that fact and raised funds to erect hospitals, orphanages, homes for the aged, and other specialized institutions such as day nurseries and schools for the blind. A majority of these institutions provide excellent care and treatment and have maintained an experimental attitude toward their work. To take a single example, homes for the aged originally conceived of their task as one chiefly of physical care. Now it is widely recognized that problems of aging are manifold. In addition to physical care, aged persons need to be occupied and to feel useful. How to achieve this goal within the limitations of failing strength and waning powers is a question that has perhaps received more study in Chicago than in any other major city. A local foundation financed an intensive inquiry into this problem that has given renewed impetus to the search for improved methods.

This aggressive search for better methods has characterized the work not only of homes for the aged but of most of the other types of institutions as well. Partly because of its location in mid-America but also partly because of the variety and excellence of its facilities, Chicago has become the home of many of the great national medical agencies. For like reasons, Chicago was selected as national headquarters of the American Public Welfare Association.

Residential Centers

Those in need of institutional care are not wholly dependent upon private organizations. A variety of residential centers have been created by public authorities, both state and local. These centers include the Oak Forest institutions for the aged, the tuberculosis sanitarium, the Arthur J. Audy detention home for children, the Chicago State Hospital, and others.

The proliferation of welfare agencies in the past 50 years, admirable as it has been, has nevertheless created new problems. Obviously the community wants no unnecessary duplication of services and it is entitled to assurance that the numerous segments of its welfare program fit together into a

consistent whole. The function of the Welfare Council of Metropolitan Chicago is to provide this assurance by coordinating the work of all the social agencies, helping to eliminate duplication, and by orderly planning of new services as new needs arise. In recent years these over-all functions of the Council have been extended beyond the limits of the city to include the welfare programs in many contiguous suburbs.

Unfortunately, the unscrupulous have found in the money-raising activities of the welfare agencies a pattern that can be distorted to serve their own selfish ends. In Chicago and all large cities it has been necessary to create special machinery to prevent fraudulent solicitations for charity. Here the function of preventing fraud is entrusted to the Subscriptions Investigating Committee of the Chicago Association of Commerce and Industry, which investigates all charitable appeals and publishes an endorsed list of those which meet appropriate standards of rectitude and efficiency. The most difficult problem confronting this committee is not the outright fraud, but rather the well-intentioned group which through cost administration or low standards does not render the service which contributors believe they are helping to support. Through year-round consultation, the committee is able to give constructive advice to such groups and to help them achieve reasonable standards of service; appropriate levels of overhead costs.

The increase in the number of welfare agencies, some handling specific kind of problem and other serving special neighborhoods, inevitably led to a multiplicity of fund raising campaigns. The campaigns tended to make demand upon much the same group of volunteer leaders. Moreover they can with such frequency that contributors became confused and resistant. In line with a movement in other large cities, Chicago decided upon a federated form of fund raising to overcome these difficulties. The Community Fund of Chicago is markedly different, however, from the community chests in other cities. The Chicago Community Fund does not attempt to supply the entire contribution

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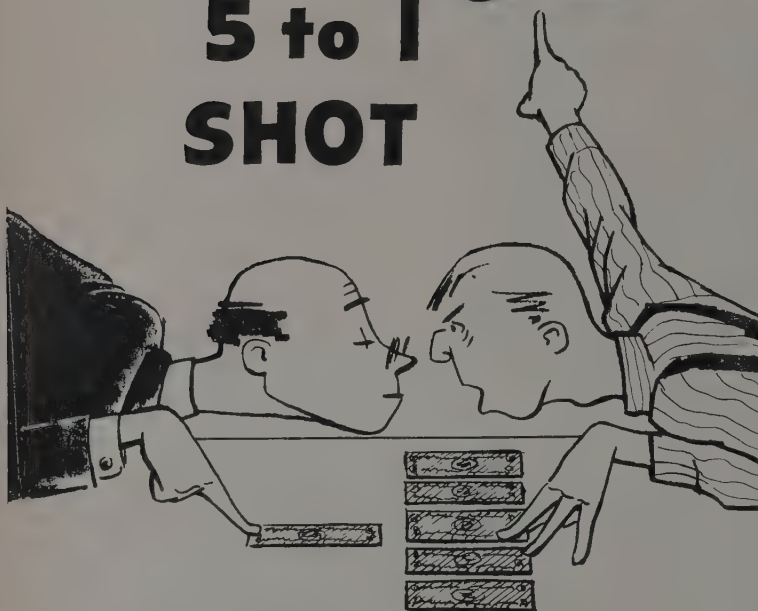
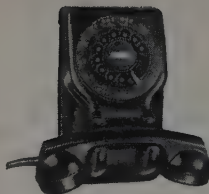
Every line of railway entering Chicago must cross the main line of the EJ&E. Interchange facilities are maintained at each intersection.

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come of the 200-odd agencies it supports. These agencies continue to raise money independently and the Fund, by tapping income the agencies could not reach, supplies half or less of the contribution income each member agency requires.

Several investigations have established that a complete community chest, such as is found in most cities, would not at present provide a satisfactory means of financing the private welfare agencies. The partial financing scheme has worked satisfactorily in Chicago and there is at present little disposition to change it. It is estimated that total annual expenditures of Chicago's private welfare agencies are about \$50 million. Of this amount the Community Fund supplies slightly less than \$10 million.

The early leaders in welfare activities soon discovered that the complex problems of distressed families were most likely to be solved successfully by persons with special training for the work. This discovery led to the establishment of schools of social work. More than 50 have been founded in this country since the turn of the century.

The second oldest of these schools, the Chicago School of Civics and Philanthropy, was organized by the Chicago Association of Commerce and Industry and was largely financed by the Association until it became affiliated with the University of Chicago. The latter move set a pattern that has been widely followed throughout the country. Most of the schools of social work are now a professional curriculum within a university setting. An astonishing proportion of the leaders in education for social work are graduates of the Chicago school, now known as the School of Social Service Administration of the University of Chicago.

Thus the welfare record of Chicago is one of which the city may be justly proud. Many new methods and new programs have originated here. Moreover, Chicago has been willing to profit by the experiences of other cities. The welfare of the community has been the prime standard which has guided the course of the city's social service programs, making this phase of *The Chicago Story* a glowing tribute to the social consciousness of Chicago's citizenry.

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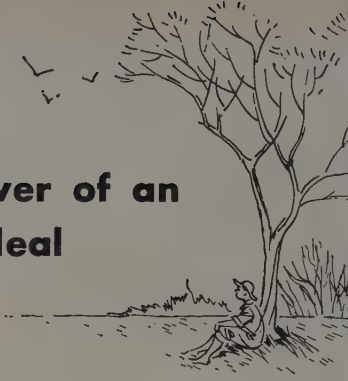
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The Power of an Ideal



From a few pounds per week to 500,000 pounds in the same interval. From one man and a wagon to 557 people and two hundred cars and trucks. From one small room—to seven modern plants. From a handful of customers—to more than twenty-five thousand. From a youth's ideal—to the position of America's Leading Restaurant Coffee; that, so typical of Chicago's vitality, is a brief of the forty year history of Chicago's Continental Coffee Company.

And the ideal upon which this great enterprise was founded is still a potent daily force in its steady growth.

Not all restaurant operations today—nor did they forty years ago—recognize the great importance of the coffee brewing method. So Continental from the start went beyond the blending and roasting of choice coffees to service the restaurant in such a way that the quality of the blend was reflected in the cup of coffee set before the Restaurant Patron. This concern with the flavor and freshness of the cup of coffee which the restaurant served was the ideal which led to a system of service never before provided.

Under this system the restaurant's brewing equipment was checked, replacements made, serviced to the most minute detail. Restaurant employees were instructed and trained. An urn-manufacturing plant was established to make highly efficient coffee-making apparatus economically available. A delivery system was



**Jacob Cohn, Founder and President,
Continental Coffee Company**

set up to insure the fragrant freshness of every pound of coffee the restaurant used. All these and other extra services extended the quality of the blend beyond the restaurant to the cup of coffee set before each patron. And these services became as much a part of each pound of Continental Coffee as the distinctive goodness of the blend itself.

The soundness of this ideal of extra service is indicated by the position of Continental today. Still under the guidance of its founder, Jacob Cohn, Continental has four plants in Chicago and three additional operating units in Brooklyn, Toledo and Seattle. It maintains a network of service cars and trucks in weekly contact with the bulk of the food serving industry in the country. This service network, in addition to Coffee, distributes a line of Continental-made food and ingredient products created and packaged to the specific requirements of quantity food preparation.

Today, the Continental Coffee Company stands almost unique as a major supplier to the gigantic food serving industry, in the respect it has won from the Nation's restaurants and from the millions of customers they serve—many of whom recognize the character and identity of the Cup they enjoy because of its "More Coffee Flavor."

Continental Coffee

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MERCANTILE EXCHANGE GROWING FAST

By

William Ferris



Trading floor of Mercantile Exchange

Korth photo

THE Chicago Mercantile Exchange, which has set new records in trading volume in each of the last six years, is the nation's leading futures market in eggs, onions and butter. It is also the fastest growing exchange in the world.

To this market located on Frank- n street just outside Chicago's loop, buyers and sellers of eggs, onions, potatoes and butter in thousands of little towns throughout the country and in the terminal markets in large cities, too — turn for guidance in setting their prices.

This is the central market and what happens here can determine the price of onions in Texas, eggs in Iowa, potatoes in Idaho, and butter in Wisconsin.

The Mercantile Exchange also provides trading facilities for turkeys, but the trade is insignificant. inaugurated dealings in steel scrap this year, the first time this has been tried anywhere. In the past the Mercantile served as a futures market for cheese and apples, but activity in those commodities has faded.

Turnover on the exchange has grown enormously since the end of World War II. It amounts to more in a month now than in the whole of 1920, the first full year of operation. Last year's trade totaled 66,084,000 cases of eggs, 67,885,800 sacks of onions, 55,850,000 pounds of butter, 28,840 sacks of potatoes, 1,290,000 pounds of frozen eggs and 90,000 pounds of turkey. All this changed hands in 253,345 different trades.

The author is market editor in the Chicago Bureau of the Associated Press.

Steel Scrap Is Latest Futures Item

The exchange will beat that record in 1954.

Prices posted on the Mercantile's blackboard are flashed around the country. The exchange's own ticker service reports every transaction almost instantaneously to hundreds of cities. Radio stations broadcast quotations at certain times during the day. Newspaper wire services distribute the daily price range to hundreds of newspapers and radio stations. This publicity for the quotations is important, and not merely because it drums up business. It means the prices set by the ebb and flow of supply and demand are known to everyone interested in them.

Farmers Informed

The farmer selling eggs in a small rural crossroads town doesn't have to take the word of a big city buyer as to what the egg market is doing. The farmer knows. He can read about it in his newspaper; he can hear about it on his radio.

Like many another Chicago market, the Mercantile Exchange grew out of South Water street of the early days. In 1874 the provisions men along that street set up their own exchange with their own rules. This was the Produce Exchange, which functioned entirely on a cash

market. Butter became the chief commodity handled on this exchange, and even then the butter boys and the oleomargarine boys didn't get along. The butter dealers charged the oleo dealers were substituting oleo for butter. So a new organization was formed in 1898, the Chicago Butter and Egg Board. That excluded the oleo people.

The Butter and Egg Board also functioned entirely as a cash market. World War I enormously increased the Board's business, and also caused wide price swings. Many private trades were made for future delivery, but these were sporadic affairs and not governed by any set regulations. With the war over, the name of the organization was changed to the Chicago Mercantile Exchange and rules for futures trading were adopted.

Thus the Mercantile Exchange grew out of a desire upon the part of handlers and processors to conduct buying and selling for future delivery in an orderly manner.

An essential requirement of futures trading is a commodity that can be stored and has certain uniform standards as to size and quality. Seasonal production also is a factor in tending to encourage futures trading, although this in itself does not make futures trading feasible. Many agricultural products are pro-



Comiskey Park

Friday, July 1, 1910 was a gala day in the City of Chicago and a red letter day in the life of the chief of the American League Club, Mr. Charles A. Comiskey, affectionately known the country over as the "Old Roman." That afternoon witnessed the opening and dedication of the "Baseball Palace of the World" at 35th and Shields Avenues. Originally seating 26,000 people, additions were completed in 1926 to comply with the ever increasing attendance. To indicate the present capacity, 54,215 fans witnessed the Chicago White Sox-New York Yankee games of July 19, 1953 pointing out the enhanced popularity and growth of major league baseball in Chicagoland.

As years go on the Chicago White Sox management continues to provide their fans with increasingly better service and improvements to make each game a memorable occasion. Many costly revisions and additions have taken place within Comiskey Park during the past 15 years. On August 14, 1939 one of the finest lighting systems in the world was turned on for the first time, paving the way for the popular night game attractions; advantageous ticket offices, plentiful parking areas, a gigantic modern scoreboard and many other noticeable improvements continue to make Chicago proud of its original American League entry.

The Comiskey family is truly proud of its City of Chicago Award in Human Relations "for leading the way in professional athletics by giving our city the Chicago White Sox, an All-American team for an All-American city."

The American League Baseball Club of Chicago stands pledged to maintain that same high calibre of progress and leadership.

AMERICAN LEAGUE BASEBALL CLUB OF CHICAGO

duced in greater quantities at certain seasons, but if they aren't storable there is no possibility of initiating futures trading. Such trading permits movement of products off farms in heavy volume at certain seasons and gives protection to business firms holding these inventories while they are in process of being consumed over the entire year.

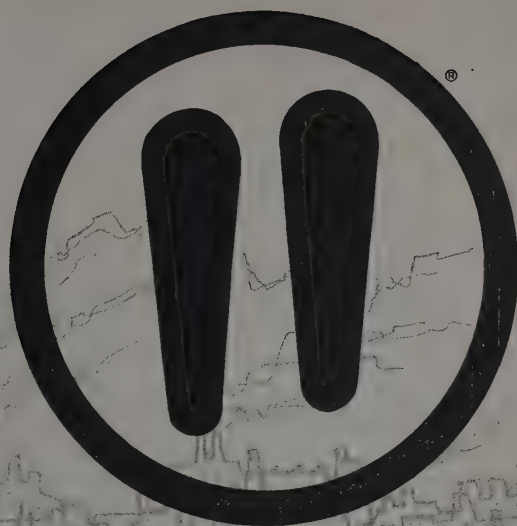
When a person buys futures he is buying a commodity — say eggs — for delivery at some stated month in the future. When he sells eggs — sells "short" in trade parlance — he is guaranteeing to deliver the commodity at some stated month in the future. Actually, the amount of actual or "cash" commodities bought and sold via this route is rather small. Futures markets aren't really intended to function as a place to buy cash commodities.

Purpose of Markets

What is the main purpose of futures markets, including the Chicago Mercantile Exchange? Primarily, these markets exist as a means of giving price protection to firms that deal in commodities. This is achieved by hedging — a process by which business firms transfer the speculative risk involved in carrying cash commodities to speculators. Hedging is explained in the article in the Chicago Board of Trade.)

All the large firms involved in the butter and egg business are represented on the Mercantile Exchange by memberships held by individuals who are employed by the firms. This includes such companies as Swift, Heatrice, Armour and Borden. They use the market for hedging rather than as a means of obtaining cash for commodities. Country shippers of eggs, onions, potatoes and butter are other hold memberships or hedge through commission house members. The same is true of receivers at terminal markets.

The economic benefits of hedging are not limited to firms which employ it. Because of the insurance protection that hedging gives, wholesalers and retailers can offer their goods to buyers at lower prices than would be the case if they were not able to hedge. In the latter case they would have to apply a much larger mark-up to their individual commodity, as insurance against potential loss. Because of futures it is



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the speculators, rather than the business firms, that assume the price risk.

In broad outlines there are two classes of speculators — professional speculators and "the public." Both are essential. Professional speculators are individuals whose main business is speculating. They do not necessarily live in Chicago. Frequently, they have their own statisticians compiling information for them. They speculate in stocks as well as commodities — onions in

Chicago, cotton in New Orleans, hides in New York.

What the trade calls the "public" consists of people who like to speculate even though that isn't their main job. A surprisingly large variety of people speculate. Studies of commodity markets have shown such groups as lawyers, clergymen, postal carriers, laborers, doctors, housewives, newspapermen and truck drivers, to mention only a few, are engaged in futures trading. Usually

the speculative positions of these little traders are not large in themselves, but, taken together, they become a powerful force in the market.

The compelling motivation in all cases — professional and amateur — is the hope of gain. Speculators risk capital. In a capitalist society, the willingness to take this risk cannot but not necessarily — result in capital gain.

Professional traders are keenly sensitive to new developments. In onions, the main price-determining factor is the weather as it affects production. Consumption is quite stable. Another influence is the possible deterioration of onions in store during January and February, before the new crop comes in from Texas. The latter state is a big producer, as are New York, Michigan, Minnesota and Idaho.

Factors To Watch

The egg trader must watch such matters as cold storage supplies, rate of input or withdrawals — chicken production, the effect of weather on the rate of lay, the price of and value of feed for chickens, government policy, and the price of meat (high meat prices will shift demand to eggs). Biggest egg producing states are Iowa, Minnesota, Pennsylvania, Illinois, Ohio and Indiana.

Practically the only market factor in butter today is the government. Reduced price supports on butter may result in lowered production, which, in turn, could raise prices. Prices may get back above the government floor and permit resumption of butter futures trading on a broad scale. In potatoes, the Mercantile Exchange is outdistanced by New York, where trading is conducted in Maine potatoes. Turkey futures trading has been insignificant in recent years.

Steel scrap is the newest addition to futures trading. It is impossible to say whether it will or will not be a success. The scrap industry has vigorously opposed futures trading, but such an attitude is not unusual when futures trading is inaugurated. The onion trade also opposed futures dealings at first, but now uses the market very extensively. On the other hand the apple trade opposed futures trading, did not use the market, and it died out. If steel scrap futures meet an economic need the

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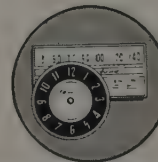
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In 1863 Arthur Dixon started a general teaming business in Chicago. It was, one might say, by accident. Upon arriving from Ireland in 1858 he had settled in Pittsburgh. He saw frequent references in the newspapers to a young and growing city a few hundred miles to the west on the shores of Lake Michigan called Chicago. From all accounts it promised to be the coming city of the great middle west. He became convinced that the promise would come true and arrived in Chicago in 1861 to start a grocery store. He was obliged to take a horse and dray in payment of a grocery debt. Instead of looking upon this acquisition as a white elephant, he hired a driver and put the man and dray at work, hauling goods for merchants.

From this modest beginning, the business constantly increased until today it is one of the largest in the local transportation field. The success of the company has been very largely due to following its founder's guiding principle, untiring vigilance in looking after its customers' interests. Many of its customers have been continuously utilizing its services for over eighty years.

The Arthur Dixon Transfer Company has truly grown with Chicago for over ninety-one years since 1863. Each has had its share in contributing to the growth of the other.

Arthur Dixon Transfer Company

trade eventually will be a success if they don't, the market will perish.

The Mercantile Exchange's trading floor is two stories high, surrounded by blackboards crammed with statistical information. On the floor are dozens of brokers' desks and three pits. These pits tell the own story of the exchange's growth.

Until recent years all futures trading was conducted on the blackboards. Brokers gave their bids and offers to the boardmen, who wrote this information on the blackboards. If the bid matched an offer already made, the offer was wiped out and the trade confirmed by being written on the "sales board." This was a rather leisurely method of trading and is still used during quiet periods.

However, as trading became heavier the boardmen simply couldn't keep up with the bids, offers and sales. Trading was transferred to pits. Brokers stand around the pits on octagonal shaped steps rising from the floor and going down to it again in the center — and make their bids, offers and sales directly to one another.

Each day the Mercantile Exchange holds a "cash call" between 9:30 and 10:00 a.m. It is in this period that cash eggs, onions, butter and other commodities are sold. The actual cash commodities are in storage in warehouses or on the Fulton street market. Brokers on the Mercantile floor are in direct communication with associates on Fulton street. Thus, sales consummated on Fulton street frequently are based on what is happening on the Mercantile floor.

During the cash call any member can buy or sell cash commodities on the floor. Bids, offers and sales are posted on the "cash panels." Cash commodities sold in this manner must be inspected and graded by the Agriculture Department each day before the call. Department officials base their inspections on 15 or more cases of eggs or onions taken from a car load. The cash commodities are not brought to the Mercantile floor. After a sale the receipt for the commodity must be handed over to the buyers within 24 hours, and the buyer must tender a certified check.

The Mercantile Exchange currently has under consideration proposals to inaugurate trading in several other commodities.

Chicago Has Sufficient General Merchandise Storage Footage To Accommodate 12,500 Freight Cars; Also Tops World In "Cooler" Space

TO OUTWARD appearances, the huge public warehouses on Chicago's busy streets are simply barn-like structures in which somebody or anybody stores goods until the time comes when they are wanted again. Actually, the public warehouses, as distinguished from those operated by manufacturers and others for their own use, are anything but passive storage places. They have come to play an active part in the American economy, performing many services and helping to reduce manufacturing and distribution costs for many products.

For example, the market for many goods is seasonal, but for economy the manufacturer must hold production at a fairly even level the year around. He can ship finished goods to public warehouses in various parts of the country, and when the orders begin to come in the warehouses will take care of the delivery. In fact, an efficient warehouse may be ready to take over the entire mechanics of distribution, including repacking, stenciling, weighing, re-sorting, sampling, inspecting, and attendant clerical operations.

Or take the example of goods that retailers purchase from the manufacturer or distributor in lots of one or two at a time. Instead of making direct shipments in these small lots, the manufacturer can send a carload to a centrally located warehouse, from where the small-lot shipments may travel only a short distance. The saving thus made on shipping costs is important. Moreover, the retailer can get along with smaller inventories when replacements are near at hand. And ultimately the consumer saves too because of the reduced cost of production and distribution.

In 1844, long before Chicago became the industrial giant it is today,

the city directory listed the names of 12 warehousing firms. Even in that comparatively primitive era, when men grew or made virtually everything they used, warehousing had an important role in the distribution of goods. One of the firms listed in the 1844 directory—Newberry and Dole—is the original business of the present Griswold and Bateman Warehouse Company. Another old Chicago warehousing firm is Wakem & McLaughlin, Inc., established in 1886.

General Merchandise

Today the Chicago Metropolitan Area is one of the nation's leading warehousing centers. According to the American Warehousemen's Association, only the Port of New York has a larger amount of general merchandise storage space. The Illinois Association of Merchandise Warehousemen estimates that within the

Chicago area, general merchandise storage space amounts to more than five and a quarter million square feet—enough to accommodate the contents of 12,500 freight cars.

Among the largest general merchandise warehousing firms here are: Crooks Terminal Warehouses, Inc., with about 950,000 square feet; North Pier Terminal Co. (400,000) and General Warehouse & Transportation Co. (600,000).

The Chicago area probably stores more corn and soybeans in public warehouses than any other city in the country and ranks second or third in the storage of other grains. There are about 20 public elevators here, with a total capacity of 50 million bushels. Among the leading storage firms are Norris Grain Co.; Continental Grain Co.; Cargill, Inc., and Ullman Grain Co.

In amount of refrigerated warehouse space for storage of perishables, Chicago leads the world with



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34 million cubic feet of "cooler" and "freezer" space in public warehouses and approximately 20 million in private facilities. The largest refrigerated warehouse operators here include Central Cold Storage Co. (8.3 million cubic feet); Chicago Cold Storage Co. (five million); United States Cold Storage Corp. (5.5 million); and Fulton Market Cold Storage Co. (3.6 million).

There is a direct ratio, although admittedly a rough one, between the number of people living in an area and the amount of warehousing space required. The relationship rests on the fact that virtually every item must spend a certain amount of time in a warehouse during its journey from producer to consumer. Since the dawn of history man has been storing food in time of plenty against times of scarcity.

Freight Saving

The public warehouse enables the manufacturer, his middlemen and retail customers to benefit from lower freight rates without incurring the waste of occasionally empty warehouse space. The public warehouse serves many industries and its space doesn't have to go empty for very long.

The public warehouse provides still another service. If a company needs capital in a hurry, it can convert merchandise stored in a public warehouse into cash simply by taking the receipt issued by the warehouse to a bank. The bank will accept the receipt as collateral for a loan.

Chicago's abundance of warehouses is probably due as much to location as to population. Most of the nation's corn crop is grown in Illinois, Iowa and Indiana; much of the wheat is supplied by Kansas, North and South Dakota and states farther west; the midwest and northwest are major production centers for oats.

Chicago has become an important transfer point in the grain business not only because it is close to much of the producing area, but also because it has unexcelled transportation facilities. Eggs, milk and similar perishable farm products follow more or less the same marketing pattern.

The excellence of Chicago's trans-

ortation position is shown by the fact that some companies store large quantities of their product here for that reason alone. One of the nation's major candy producers, for example, manufactures on the East Coast and sends all of its candy destined for West Coast outlets to

Chicago warehouse. By storing here, the firm can supply fluctuating demands much easier than by spotting stocks at several points farther west.

Warehousing may seem like a rather simple operation, but nothing could be farther from the truth. The general merchandise warehouse operator must worry about such things as pile heights, odor from one product contaminating another, temperature and humidity. In a typical cold storage plant, two types of temperatures are maintained. "Cooler" rooms are kept at 28 to 38 degrees Fahrenheit, while in "freezer" rooms the thermometer reads zero or below. Butter, canned eggs, meat, poultry and fish are among the items that are kept frozen during storage, while apples, shell eggs, onions and potatoes are usually cooled.

Fork Lift Truck

The invention of the fork lift truck was as important to the warehousing industry as the development of the steam shovel was to the excavating business. At the turn of the century about the only mechanical aids the warehouse laborer had were two- and four-wheel hand trucks. The power for lifting freight was muscle power.

The fork lift truck, aided by changes in warehouse design, has made it possible to utilize space more efficiently. In the old days goods were piled only a little higher than a man could reach (normally no higher than 10 feet). Today, with the fork lift truck, freight can be piled as high as 18 or 20 feet and with extensions on the fork lift truck that work like a fire engine, even higher.

Within the past 10 years, several of the city's general merchandise warehouse firms have spread into outlying areas to one-story structures that have unlimited floor loads.

For lightweight items, a multi-storied warehouse can be more economical to operate than a single-storied warehouse with the same

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Yes, WNU people have enjoyed participation in Chicago's history during the past 50 years, and confidently look forward to the exciting progress the next 50 years will bring.

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amount of floor area, occupying much more land.

In the earliest refrigerated warehouses, ice-filled bunkers kept the merchandise cold. About 1890, mechanical systems began coming into wide use. Up until around 30 years ago, however, the cold storage warehouse was regarded with suspicion by the American housewife. Some thought cold storage was a device of the trusts, designed to hoard commodities and keep prices up while others thought that food was refrigerated only because it was spoiled or about to spoil. This latter attitude was described graphically in a 1928 issue of *ICE AND REFRIGERATION*, the industry trade paper:

"The first mental picture that springs before fully half the American public when you introduce the subject of cold storage is that of some egg storage room from which specimens that are none too fresh are drawn at intervals that are none too frequent."

Association's Report

Officials of the cold storage industry worked hard to change these attitudes, largely by asking impartial bodies to conduct investigations of its operations and tests of its food products. One of these was made by the Chicago Association of Commerce and Industry. The investigators found that: "In reference to the charge that cold storage of food products causes a scarcity and inflation of prices, the facts appear to be that only a small percentage of the annual production of perishable foodstuffs is stored in cold storage warehouses and this storage makes it possible to supply the people in time of scarcity with the surplus of the time of plenty."

The change in public attitude indicated by the fact that today few housewives hesitate to buy egg cheese, butter, poultry and a long list of other products that may have been in storage for weeks.

Chicago's warehouse industry, because of its position astride the supply line that links the nation's producers and consumers, is playing a leading role in keeping perishable fresh and reducing the cost of distribution of virtually every product used by the American consumer.

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Back in 1853 an ambitious lad, Frank Parmelee by name began what was a unique operation in Chicago. It consisted of "transferring railroad passengers and their effects" from station to station or from station to hotel. The assets of the company were six omnibuses and wagons, the necessary horses, and a marked ability to manage the business efficiently and well. As Chicago grew so grew the company.



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Completed portion of Congress Street Expressway, east of the Post Office

Public Works—Gearing For The Future

First Was \$482 Log Bridge In 1832; Latest Is \$80 Million Expressway

By Charles Keyser

IF CHICAGO'S founders could have foreseen its startling growth, they might have picked another site. For despite its trade and transport advantages, the city's location has presented a series of physical problems that would have daunted a less sturdy populace.

Four generations of Chicagoans have had to battle nature's handicaps, building a modern metropolis on swampland; bridging at almost every block a river, once a traffic boon, which became a traffic headache; forever accommodating the city's compounding growth to the imperious shore of Lake Michigan, once its front door, later an adamant barrier to eastward expansion.

But in conquering its handicaps, Chicago has turned them into assets, and earned through combined sweat and vision the right to wear proudly its city motto, "I Will!"

The biggest tools Chicago has swung on its problems have been its public works. The first was a floating bridge of logs, flung across the Chicago River by Fort Dearborn soldiers in 1832, and paid for by \$482 in contributions from settlers

and Indians. The newest is the just-announced \$80 million elevated expressway that will form the final link in the new transcontinental highway between America's two largest cities, Chicago and New York, in 1957.

Civic History Made

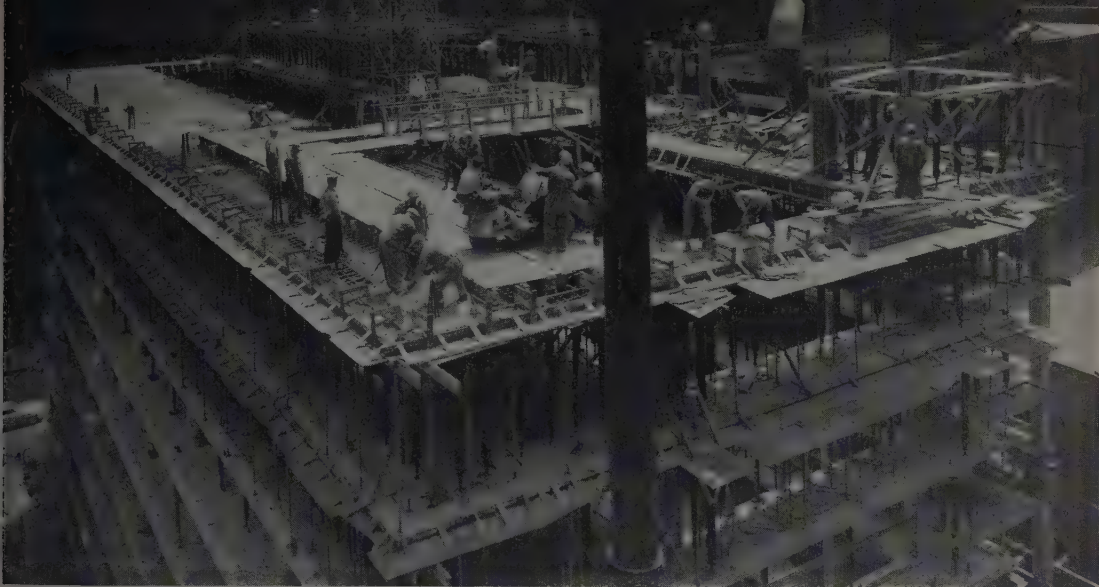
In the intervening decades, Chicago's public works have made civic history for the world. The city has reversed the flow of its river to halt pollution of the area's chief water supply, Lake Michigan; solved the health hazard of its swamp-site through a monumental drainage system, and by twice raising the level of its streets and buildings; thrust stubbornly through the water-soaked clay of its sub-soil an ever-growing maze of pipes and subways; literally turned back the lake by pushing acres of man-made land out into the waves; hewn out canals which for much of its history have linked the city's lake-docks with

New Orleans via the Mississippi.

Today, Chicago's public works are geared to an even more exciting future. Long the railroad hub of the nation, the city is preparing now for its increasing role as a world terminal of air and ocean traffic. The Chicago Sanitary District and the new Chicago Regional Port Authority are planning jointly for the completion of the St. Lawrence Seaway and the influx of ocean-going ships destined to dock here.

The new program would widen the Calumet-Sag and develop Lake Calumet into a deep-water harbor to make of Chicago the world's greatest inland port. Preliminary estimates for these huge projects range upward of \$170 million, and are being watched closely by all the trading nations of the world. European shipbuilders are already building vessels with drafts designed for this inland waterway system.

Now the site of three major ports, Chicago is studying a proposal for 72 more, which would be spotted in concentric belts in and around the city and classified for different kinds of air traffic.



One of the new municipal garages being built in the Loop

Vehicle traffic, too, wins a major share of Chicago's building for the future. A net work of super highways will soon provide swift access to the Loop. Nearing completion is the \$150 million Congress street expressway to the west; contracts have been let on a Northwest superhighway to connect the new Congress street route with Eden's Expressway and O'Hare Field; the southwest elevated expressway will be a seven-mile toll route meeting the new east-west transcontinental highway, and is designed to handle 25 to 40 thousand cars a day.

Garage Program

The new flood of traffic this expressway program will bring pouring into the Loop and other business areas is being anticipated under a \$100 million public works program for off-street parking. Already completed (in 1954) is the world's largest subterranean parking lot, the Grant Park underground garage, with a capacity of 2,359 cars; opened a few weeks later, on LaSalle street facing the City-County Building, was the first of a series of city-owned multi-level garages. Eleven more garages and off-street parking areas will be completed under this program during 1955.

Chicago's local transit became publicly owned through establishment of the Chicago Transit Authority in 1945. CTA took over

actual operation of local transit in October, 1947. The job of taking the elevated lines underground in the central business district was begun with the opening of the State street subway in 1943, a project financed jointly by the city and the federal Public Works Administration. The Milwaukee avenue subway was opened in February, 1951, and a new 10-mile east-west branch, running to Des Plaines avenue in Forest Park, is being constructed in conjunction with the Congress street expressway.

Many of Chicago's spectacular public works, including recreation facilities, had their origins, or at least their antecedents, in America's first comprehensive city plan, drawn up in 1909 by the famous architect, Daniel H. Burnham. Funds for the plan were raised by the Commercial Club, which for many decades has numbered the city's most illustrious business and industrial leaders among its members.

"Make no little plans," Burnham cautioned, and Chicago has taken him literally. Spanning almost the entire length of the city along the shoreline is the Outer Drive boulevard, linking a series of parks to present a panorama unequalled in size or beauty anywhere else in the world. At the heart of this spectacle lies Grant Park, immediately adjacent to the Loop, created like the Outer Drive on "made" land, and protected by city ordinance, as is

most of the lakefront, from commercial development. Lincoln Park stretches to the north, Burnham, Jackson, Rainbow and Calumet Parks to the south, with a liberal sprinkling of smaller beaches, boat harbors, sports clubs and other recreational facilities dotting the areas between.

One immediate result of the Burnham plan was the appointment of the Chicago Plan Commission in 1909 under the chairmanship of Charles H. Wacker. Wacker led the successful effort to create the modern drive which bears his name along the south bank of the Chicago River.

Tackle Fundamentals

City planning, of course, has broadened its skills and deepened its interests in the years since proposals for public parks and tree-lined boulevards made headlines. Chicagoans today take these assets for granted, and the planners have turned their attention to such fundamental problems as the "aging" that threatens the older and usually more central sections of every large city.

Chicago is tackling deterioration of its older neighborhoods on many fronts, including slum clearance, rehabilitation, re-zoning, rigorous enforcement of building and maintenance codes, low-rent housing and area planning. If the superhighways, railroad relocation and other plans



The Central District filtration plant is being constructed in the lake, just north of Navy Pier

and proposals are included, the Chicago Plan Commission estimates that this civic facelifting would cost some \$1.5 billion over a 10-year period.

A dramatic example of slum clearance, financed by both public and private funds, is the Lake Meadows development on the near south side, where the New York Life Insurance Company is erecting apartments on 101 acres of land acquired and cleared by the Chicago Land Clearance Commission. The development adjoins Michael Reese Hospital, which is conducting an impressive building program for its own expanding medical and research facilities.

Another example of Land Clearance operation is the 53 acres on the city's near southwest side being cleared for industrial development. In the "middle-aged" community of Hyde Park, near the University of Chicago, the Land Clearance Commission proposes to clear so-called "pockets of blight," totaling some 47 acres, to be privately developed for new shopping and housing.

How Financing Works

All told, current clearance projects come to almost 400 acres, with several additional projects under study. These activities are financed by the city, state and federal governments. The Commission came into existence via state enabling legislation passed in 1947, and with \$10 million in state funds. This grant, plus \$15 million raised by city bond issue, provides its \$25-26 million working capital. The federal government returns to the Commission

two-thirds of the net cost of an approved project, net being the gross cost of acquisition and demolition less receipts from sale of the cleared land.

Future projects under study for possible Land Clearance Commission participation include the Fort Dearborn proposal for rebuilding 151 acres on the near north side with a civic center, hall of justice, library, University of Illinois four-year branch, 5,000 apartments, etc. A similar proposal has been advanced by the Chicago Civic Center Advisory Committee, suggesting a civic center in an area that partially coincides with the Fort Dearborn proposal.

Considerable slum clearance has already been effected by the Chicago Housing Authority, although its chief objective has been provision of low-rent housing, through federal aid, for families with incomes too low to be regarded as competitive in the standard housing market. CHA today operates 12,000 permanent, low-rent units, and expects to have started either the construction or planning of 6,000 more before the end of 1954. In addition, under the same act that brought the Land Clearance Commission into being, CHA received \$5 million in state funds for low-rent housing for families displaced by clearance. This, together with \$15 million from city bonds, is allocated for 1400 relocation units. Chicago's share of public housing under the 1954 federal act is expected to run between 2,500 and 3,500 units, all of which are earmarked, under terms of the act, for relocation purposes.

It is estimated that some 38,000

families will require relocation within the next ten years to make room for housing, highway and other developments. The Office of the Housing and Redevelopment Coordinator, established by Mayor Martin J. Kennelly to facilitate cooperation between the numerous agencies, estimates that about half of the families will be eligible for public housing. CHA feels that around 2 per cent will actually qualify on a counts for admission to its projects. Either estimate, viewed in the light of the overall housing market, leaves a sizeable gap in the relocation picture, a problem of concern to all the agencies involved, since the numerous projects slated for the next few years can move only as fast as the city can accommodate the families in their paths.

New Zoning Plan

On the zoning front, the Planning Commission and the City Council committee on buildings and zoning are drafting amendments which would introduce new concepts in the city's zoning ordinances. One would regulate density in residential areas; another would establish standards governing the location of industries, in accordance with the degree of nuisance particular kinds of industrial operations create.

In the more prosaic fields of city services, such as sanitation and water, Chicago has been no less audacious than in its rebuilding program. Sitting on the shore of limitless water supply, the city nevertheless has had to perform gargantuan tasks to control, purify and make available that supply for



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MID-AMERICA HOME OFFICE



its own and its suburbs' inhabitants.

A little over half a century ago, typhoid and other water-borne diseases were a serious municipal problem, for city waste flowed into the Chicago River, which in turn emptied into the lake. Storms aggravated pollution by pushing river wastes ever farther out into the lake, and a deluge of 6.19 inches of rain within 24 hours in 1885 brought the problem to a head. In 1889 the state legislature created the Sanitary District of Chicago, a unique agency charged with the responsibility for protecting the waters of Lake Michigan from pollution.

One of the new District's first acts, in 1900, was to reverse the flow of the Chicago River, a feat which has been termed one of the engineering miracles of the world. In all, the District has built \$400 million worth of canals, treatment plants and interceptor sewers to carry out its job of collecting and safely disposing of all domestic and industrial wastes within its jurisdiction. It serves 55 per cent of the area of Cook County and 95 per cent of its population, including Chicago and 74 suburbs. Its

record has been such that expansion into a Metropolitan Authority covering three additional counties—DuPage, Kane and Will—is under study by the Governor's Committee on Metropolitan Water and Sanitation.

Supplies Suburbs

To the city Department of Water and Sewers falls the other end of the job—processing and pumping the now-protected water to Chicago and its suburbs. State law requires that Chicago supply water at its city limits to all communities within the Sanitary District, largely because population growth in the metropolitan area has lowered the water table to an alarming degree in communities removed from the lake.

One third of the area served receives water pumped through the south district filtration plant: construction is now being resumed, after court delays, on a new \$85 million filtration plant just north of Navy Pier to serve the other two-thirds. In 1953, the Department pumped almost 370 billion gallons of water—average Chicago consump-

tion was 88 million gallons a day.

The Department built \$17 million worth of new sewers in 1953; the figure for 1955 will be \$10 million, and approximately this rate of construction will be required to keep up with the city's growth.

Chicago has great dreams, and true to its history, it is taking action to realize them. In an address to the Chicago Real Estate Board, in March 1954, Mayor Kennelly pointed out the certainties in those dreams, when he said:

"In the activity of redevelopment Chicago at this moment has in prospect a larger program of public works than was ever contained in the official backlog at any point in the city's history.

"Within the current year we will spend \$160 million—and in the next five years we will spend a total of \$675 million. These figures include contributions from some of the other local governments—and the state.

"With what has been spent from 1947 to date, this adds up to Chicago's billion dollar public works program. There is nothing like it in the country!"

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Research: A 20th Century Necessity

By

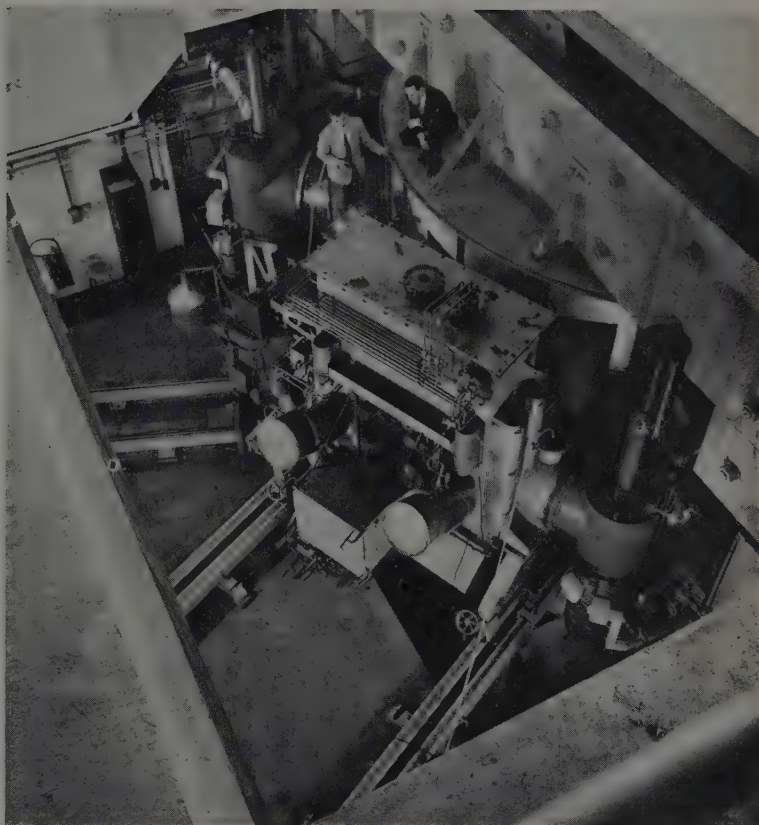
June Blythe

TO the ingredients necessary for business and industrial success, the Twentieth Century has added a new requirement—research. So intertwined with science has become modern industrial society that today's management leaders value resources for research as importantly as supplies of labor, material or transport. Chicago is the nation's foremost center of industrial research, and a world-famous center of its blood brother, the purely scientific investigation which precedes practical applications.

The more than a thousand research facilities in the Chicago metropolitan area vary in size from the 37-acre, \$60 million Argonne National Laboratory to a one-room chemical analysis service, and in kind from measurement of the age of the earth to the testing of jet engines with which to circle it.

Almost every field of scientific inquiry is represented in Chicago's laboratories, which are maintained by colleges and universities, foundations, trade associations, individual companies, and professional research and consultant services. But it is the close cooperation between science and industry here that has nourished the city's growth as a research center. One of the clearest examples of the fruitful results in Armour Research Foundation, established in 1936 as a non-profit, independent arm of Illinois Institute of Technology, "for the purpose of serving the research needs of industry, government and the general public."

Armour's growth illustrates, too, the rise of industrial research from obscure workshops to its present front-line importance in the nation's economy and well-being. In 1920 about 10,000 persons in the entire country were engaged in industrial research, either independently or in



The University of Chicago's renowned cyclotron

Chicago Is World Famous As A Center For Both Industrial Research and Pure Scientific Inquiry

the first few company laboratories, and when Armour started 16 years later it had a three-man staff and a \$40,000 budget. Today the Foundation employs over 1,200 persons and handles an annual research volume of some \$12 million. It has served 2,500 different sponsors since its inception, and carries on around 500 different projects each year.

Works Internationally

Problems from the far corners of the world funnel through Armour's nine major departments, and have included technological audits of entire nations. The Foundation also conducts long-range, fundamental

research of its own—an example is the invention and development of magnetic sound recording, which made possible today's wire and tape recording industry. Income from this kind of Foundation-sponsored research is ploughed back into additional fundamental research.

Other developments that have emerged from the Foundation's laboratories include a sandsize aggregate which, when used to make bricks, makes them light enough to float in water, lowers handling and transport costs, and enables the brick to compete with frame construction; a process which reduces the drying time of inks, paints and varnishes from around 24 hours to



Windows of hot atomic laboratory at Argonne are 30-inch thick and filled with zinc bromide solution to shield workers



Scientists at Armour Research Foundation use special machine to study freight car journal bearings

from two to 20 seconds; a specially processed tallow to serve in hot dip tinning operations as a substitute for palm oil, in short supply; many of the new alloys and uses of titanium; and the nation's largest and quietest jet engine test cells. The Foundation also engages in such public service projects as studies in the reduction of noise and air pollution, community health and safety, and civilian defense.

America's first nuclear reactor for industrial research use soon will be housed in its own building as part of the Foundation's services. There is only one other reactor not devoted to Atomic Energy Commission work—the 10,000 watt unit at North Carolina State College. The Foundation's reactor will be designed for 50,000 watts and will make available to Chicago industries such services as new techniques for chemical analysis, wear studies, non-destructive testing and structure analysis; studies of radiation-induced effects in plastics, glasses, organic systems and certain metallic alloys; and studies on the effects of radiation on biological and chemical systems.

Atomic Work

The Atomic Age began, of course, on the University of Chicago campus. Exclusively defense aspects of atomic research are managed by the University for the federal government at Argonne National Laboratory, but related basic research continues through the University's own non-secret Institute for Nuclear Studies and Institute for the Study of Metals, opened in 1951. Here Dr. Willard F. Libby developed the "atomic calendar," useful not only for its publicized function in dating pre-historic objects and even the age

of the earth, but also of incalculable value in modern industrial processes. To develop his radio-carbon dating "calendar," Dr. Libby had to perfect techniques for measuring radioactivity in amounts smaller than are normally present in the human body. This technique makes possible the use of radioactive tracers in processes where formerly they were too hazardous. For example, in the study of petroleum, one of the hydrocarbons now can be made radioactive and traced through an automobile engine.

The Institute maintains a battery of the new giants which ultimately may replace many of our modern machines — a kevatron, popularly known as an "atom smasher"; the cyclotron, which accelerates short-lived nuclear particles useful in many other fields of research; and the \$2.5 million betatron, which has brought gamma rays out of science fiction and into the laboratory.

More than half of the University's \$19 million budget is devoted to research, and although the emphasis is on basic scientific study, the distance to practical industrial application is seldom far. University of Chicago chemists, for instance, helped improve the processes for making synthetic rubber. A graduate student who received his doctorate in the department of geography today determines for a nation-wide firm the best location for its warehouses. University meteorologists discovered the "jet stream," that has such a vital effect on weather. In the botany department, studies of the basic physiology of plants led to the development of 2-4-D, now a widely used weed killer.

In the social sciences the University of Chicago was pre-eminent long before the first nuclear chain reaction was set in motion. Tech-

niques for measuring employee morale were developed through studies involving 200,000 workers; other studies have ascertained the personality characteristics that make for good and for poor foremen; still others have evolved aids for the selection of executive personnel. The Industrial Relations Center helps both management and labor conduct employee-education programs.

Northwestern University

Northwestern University lends its great resources to a variety of industrial research needs, although here, too, the school's emphasis is on basic research. Less well known than his work with petroleum, but equally important to the food industry, was the pioneering by Vladimir Ipatieff in the hydrogenation of oils, which laid the basis for today's margarine output. Valuable research in the field of human hearing, such as studies of susceptibility to hearing loss, has been carried out by Dr. Raymond Carhart, head of the audiology department in the School of Speech. Recent court decisions on hearing loss cases under industrial compensation laws in several states have highlighted the importance to industry of proper job placement of employes with existing hearing defects or who show susceptibility to hearing loss.

Northwestern's Technological Institute has produced many findings of immediate practical application. Its chemical engineering department recently developed a process for extracting Vitamin B-12 from milorganite, a sewage product heretofore used primarily as a fertilizer. Of concern to the entire country including industry, is the recently

THE EVERLASTING QUEST FOR

Perfection

No absolutely perfect piece of printing has ever been done at The Lakeside Press. So far as we know, none has ever yet been done by anyone anywhere in the wide world. Perhaps none ever will be. Not absolutely perfect!

But, as we see it, these facts do not provide the slightest justification for following a soft, easy course; they contain no prop for complacency—nothing to excuse us from struggling everlastingly toward the perfection we know from the beginning we can never quite attain. “Ah, but a man’s reach,” said Browning, “should exceed his grasp, or what’s a heaven for?”

In this urge toward perfection—this eternal quest for quality—even though we fail in part, yet we succeed in part. The veil is a little lifted; we catch the distant gleam of better and still better things. The craftsman who takes part in the battles on the heights will never again be quite as he was before. His eye will be a little clearer, his stature surely a trifle higher; and there will be new strength in him that will remain to the end of his days.

Like Jacob in the old Bible story, he has wrestled with an angel all through the dark night; and if, like the old Israelite, he finds his thigh out of joint when daylight comes, he has not wholly lost the contest: for, like Jacob, he can say to the angel, “I will not let thee go, except thou bless me.”

Honest effort in a worthy struggle never fails to bring its blessing. After the toil and the turmoil and the trials of our attempt to produce a super-quality demonstration piece, we know that perfection will still mock us from the mountain-top. But we have nevertheless gained something; and that something is a rise, however slight, in the over-all average quality of our production—a gain for those we serve, and so, inevitably, a gain for this organization and all who are part of it.

From the booklet

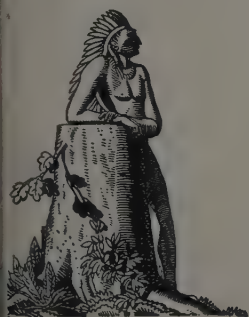
JACOB WRESTLED WITH AN ANGEL

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de-classified work of the civil engineering department in studying fallout from radioactive explosions and its possible effect on water supplies. The low-temperature chambers of the mechanical engineering department have been made available to representatives from Canada to study welding processes at temperatures as low as -80°F , in connection with a Canadian pipeline project.

Northwestern's School of Commerce conducts time and motion studies in the continuing effort to develop more efficient production methods for assembly lines, as well as studies of improvement of business methods. One channel through which such findings are relayed directly to management is the annual four-week Institute for Management, a seminar limited to industrial and business leaders at the executive level.

In addition to the innumerable projects carried on through universities and colleges, Chicago has been selected as the site of many industry-wide research organizations. The American Meat Institute, for ex-

ample, directs its work here toward the industrial utilization of animal fats, as well as studying the bacteriology and nutritive value of meats and meat by-products. The American Dry Milk Institute studies new processing methods and new uses for non-fat dry milk. The American Institute of Baking maintains a research consulting service for its industry. The Association of American Railroads, through its Research Center, works on improvement in design for all kinds of railroad equipment, including track and bridges, and containers for shipping.

The Portland Cement Association, housed in its own \$3 million laboratory, investigates many problems of the building industry. Here was formulated the law of water-cement ratio, perhaps the greatest single contribution to concrete technology, for it makes possible the best and most accurate mixtures to suit varying construction purposes.

The Institute of Gas Technology works to improve natural gas fuel and increase the efficiency of pipeline transmission through removal of unnecessary components, such as

nitrogen, dust and unwieldy long-chain hydrocarbons. The heavy demand, both industrial and domestic, for natural gas fuel also has led the Institute to conduct research in the development of substitutes for natural gas.

Familiar to every consumer is the Underwriters' Laboratories label which has come to serve as a standard of performance acceptable even as legal evidence. Centered in Chicago, the Laboratories owe their origin to the Columbian Exposition and its great public display of electrical lighting. In 1893 there were no installation standards and little practical knowledge around the new kind of illumination. After numerous fires at the fairgrounds, insurance interests sent a young engineer, William H. Merrill, to the Exposition to investigate. By riding with the fire department on every Exposition call, Merrill learned where the installation defects lay. The next year he joined forces with William C. Robinson to establish the Underwriters' Laboratories.

This non-profit organization now has representatives in 200 cities. It tests almost every kind of electric appliance and installation equipment offered for sale. Building codes of many cities require UL certified equipment.

Many Company Laboratories

Many individual companies have chosen the Chicago area in which to operate their own research facilities, partly because the extent of research activities here and the important position of research training in local educational institutions insures a corps of professional personnel. The petroleum, food, drug, metals, electronics and paint industries probably lead the list in size and scope of company research operations.

Armour and Co. and Swift and Co., for example, both maintain large laboratories, which study everything from animal feeds to home economics. Armstrong Paint and Varnish Works, the Martin-Senour Co. and Sherwin-Williams Co. are among the paint and varnish producers conducting their own research. Inland Steel at its main laboratory in East Chicago carries on product development as well as the chemical and metallurgical control of plant operations. Republic Steel

Pioneers in the Plastic Industry

The Richardson Company, founded at Lockland, Ohio in 1858, was in its 58th year when it joined Chicago industry in 1916. During its 38 years of participation in the Chicago story, it has enjoyed major growth, its Melrose Park, Illinois establishment changing from a branch plant to the Company's headquarters and most versatile of six plants.

The Company began as a paper manufacturer and evolved into a manufacturer of industrial parts from asphalt, rubber, and plastic materials. It has for many years been a leading manufacturer of storage battery parts, its activity in this field based upon its own inventions and technical developments. One of the most versatile producers of plastic products in existence, Richardson manufactures industrial and decorative plastics in sheets and other forms, but also fabricates such materials, produces molded plastic products by all established methods, and also develops and manufactures plastic materials of its own design.

Richardson expects to continue its growth as a participant in the Chicago story of the future.

The Richardson Company

Melrose Park, Illinois

Melrose Park, Ill.
Newnan, Georgia

PLANTS
Indianapolis, Ind.
Tyler, Texas

New Brunswick, N. J.
Ogden, Utah



FAMILIAR LANDMARK...Yes, and a symbol as well!

For the Hawthorne Works in Chicago, oldest and largest of Western Electric's nineteen manufacturing locations, is a tribute to those who—years ago—had faith in a new gadget called the telephone.

Beneath the 200-foot electric sign at Hawthorne nearly 20,000 people are busy turning out telephone switching apparatus, wire

and cable, repeaters and carrier bays . . . literally thousands of mechanical and electronic devices used by the Bell Telephone System across the Nation.

Western has had roots in Chicago since 1870. We've been at Hawthorne for nearly fifty of those 84 years. So next year we, too, will be wearing the gold of a Fiftieth Anniversary.

HAWTHORNE WORKS

Western Electric



Manufacturing and Supply Unit of the Bell System

maintains one of its several laboratories here.

Continental Can Co. has its main laboratory in Chicago where it studies almost every aspect of food preservation, from the seeds for canning crops to the seals that protect the finished product on the grocery shelf. Bastian-Blessing Co. carries on research in food dispensing equipment, including soda fountains and bars. Borg-Warner Corp. operates a large engineering development section, plus several divisional research laboratories, such as those for the Borg and Beck and Ingersoll Steel Divisions.

In the electronics industry, hardly a plant of any size in the area is without a research staff and some laboratory facilities. Zenith Radio Corp., with a variety of products, maintains a large research department. Companies specializing in a limited range of products, like Beltone Hearing Aid Co., are apt to use other channels, in addition to their own staffs, for larger research projects. Beltone, for instance, has founded the non-profit Beltone Institute for Hearing Research to

study the many unexplored aspects of hearing loss.

Chicago also can boast many of the nation's best-known private research consulting organizations. Among them are the Commercial Testing and Engineering Co., specializing in the analysis of coal and petroleum products; the James Laboratories, which conducts industrial bacteriology and sanitation research and analysis; the Charles C. Kavin Co., specialists in chemical and physical analysis of metals; the Laboratory of Vitamin Technology, handling research in foods, drugs, cosmetics, feeds and pharmaceuticals; Colburn Laboratories, Inc., specializing in detergents, emulsions, plastics, coatings, oils and polishes, as well as foods, drugs and cosmetics; and Miner Laboratories, covering a wide variety of products and processes including animal feeds, adhesives, and fats and oils.

Combining chemical and engineering research is the United States Testing Co. Laboratories, whose list of specializations includes textiles and leather. The Pittsburgh Testing Laboratory has a large branch here, and includes heating,

ventilation and air conditioning in its numerous fields of work. The headquarters of the Robert W. Hunt Co. is in Chicago, and includes among its specialties research in railroads, machinery, structural materials, pipelines and paint.

Excellent library facilities, both public and private, are available to researchers in Chicago. They include the unique and time-saving service of the John Crerar Library, described in the story on libraries, beginning on page 28.

Leader In New Fields

In the newer fields of applied social science research, Chicago is equally well represented. Social Research, Inc., one of the well known organizations in this type of work, conducts market research and analysis, motivational studies, audience reaction studies, etc. Employee morale measurement, selection techniques and scientific tools for merit rating and promotion are among the services offered by Robert N. McMurray and Co. Many others, such as Science Research Associates, maintain departments for industrial and business consultation.

Chicago also is a center for communications research, of increasing interest not only to the mass media such as press, radio and television but also to the management men responsible for advertising and public relations budgets. Besides the private research organizations in this field, a good deal of communication research is handled through university departments or faculty members. The University of Chicago's Committee on Communications, for example, undertook a publisher-sponsored study of community or neighborhood newspapers. The University's interest lay in the fact that no previous scientific investigation of this medium existed.

The scope and variety of Chicago area research presents one of the city's most exciting aspects, as well as one of its most valuable resources. Here tomorrow's way of life can be watched in the making—next year's product evolving from today's test tube, the next generation's attitudes shaped in part by today's psychological interview. Chicago business and industry look to its laboratories for a fertile future.

ALLAN PINKERTON - - Founder of An Industry

In 1850 Allan Pinkerton started a private detective agency in Chicago, which was the beginning of an industry and what is today's internationally known Pinkerton's National Detective Agency, Inc.

Pinkerton's played an important role in law enforcement until after the turn of the century and were the Nemesis of the now glamorized outlaws, train and bank robbers, confidence men, thieves and safe burglars of that era.

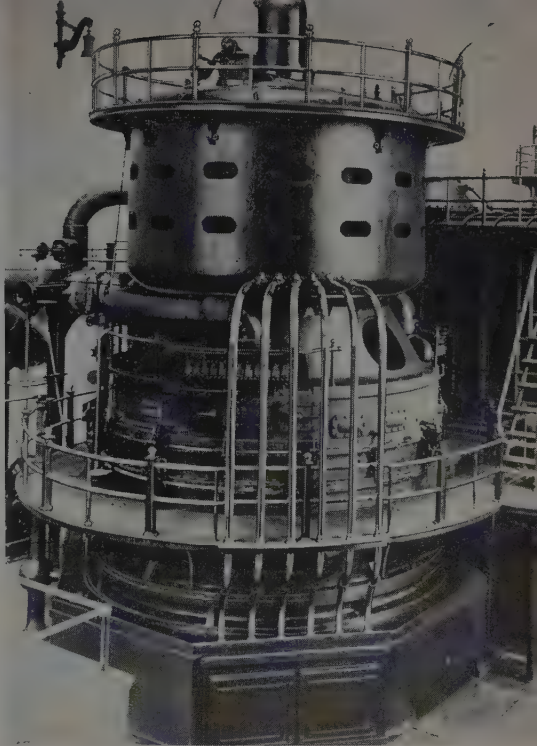
The history of Pinkerton's has been colorful and their archives are filled with records of the pursuit of criminals until they were brought to justice.

The most important achievement of Pinkerton's however has been its adaptability to the ever changing needs of business establishments and individuals for detective service. For over a hundred years these necessary needs have been met.

From a staff of three or four employees in 1850 the organization has grown to a staff of over 5,000 employees. It is still owned and managed by a Pinkerton — President, Robert A. Pinkerton, of the fourth generation.



Edison's Ridgeland Station generates enough power to serve a city of a million



First Fisk turbine was the wonder of 1903

Utilities' Big Task Is

Keeping up with Area's Growth

Postwar Capital Expenditures of \$2 Billion Have
Been Necessary To Meet Expanding Requirements

PUBLIC utility companies serving Chicago have grown phenomenally in the last five decades in keeping pace with the area's expansion in commerce and population. The city and suburbs, above and below ground, have become in 50 years a vast web of pipes and wires through which home and industry are served.

The big utilities are: The Peoples Gas Light and Coke Company, Illinois Bell Telephone Company, and Commonwealth Edison Company. These three employ about 67,000 persons in and around Chicago. Their payrolls amount to more than \$300 million annually. In addition, several thousand municipal employees man the city's water and sewer system.

Each of the three utilities grew out of consolidations with other companies. Their properties and services now extend far beyond the city. Peoples Gas pipelines reach a thousand miles or more into the southwest to tap natural gas of that area. Illinois Bell exchanges are

found in communities in most of the state and in two northern Indiana counties. The Edison system stretches across the north third of the state, and includes a railroad, the Chicago and Illinois Midland, that carries coal from mines in the Taylorville area to Havana on the Illinois river, where thousands of tons a day are loaded in barges for shipment to the company's Chicago area stations.

Since the end of World War II, the three utilities and the City of

Chicago have spent almost two billion dollars to meet expanding industrial, commercial and residential requirements.

Every time a family adds a new electric appliance the "load" that Commonwealth Edison must bear is increased. Edison's power headquar-

"Safety first" wasn't the slogan of telephone crew working around 55th Street and Kimbark Avenue in 1890



ters is located in a semi-circular room on the sixth floor of the Edison Building. Production of electricity at the company's generating stations is recorded continuously and coordinated with demand. Flashing lights tell whether the system is producing too much or too little to meet the demand which varies sharply during the day.

Each new customer who gets gas for space heating sets in motion a chain of events that reaches back to the Texas panhandle. An extra telephone has its effect on the complex of wires and dial exchanges of Illinois Bell. More homes and expanding industry mean a heavier strain on water and sewage facilities.

\$50 Million for Water

Spending on the city's water system since World War II totals about \$50 million. Expansion to serve communities outside the city has been costly. The city has laid more than 121 miles of mains and finished a big filtration plant at 79th st. Work has started on a filter plant for the north side off Navy pier.

The Chicago Sanitary District has spent \$128 million on expansion. The biggest expenditure has been on 40 miles of interceptor sewers, including one 18 by 20 feet in size and 15 miles long. The city has laid about 55 miles of auxiliary outlet sewers at a cost of \$34 million.

Commonwealth Edison since 1946 has spent almost three quarters of a billion dollars on construction. Its present system has a rated capacity of 3,400,000 kilowatts. It is a far reaching network of facilities including 184 substations, some 4,414 miles of underground and overhead high voltage transmission wires, a distribution system including 4,120 miles of underground cable, and 24,770 overhead miles of lines and about 910,000 poles, 412,000 of which are owned jointly with telephone companies, principally Illinois Bell. Fifty years ago Chicago had a capacity of 60,000 kilowatts, a little less than 60 times the wattage now used to light White Sox baseball park for night games.

Commonwealth Edison company was founded in 1907 when the Commonwealth Electric company, organized 10 years earlier, and Chicago Edison company, founded in 1887, were merged.

In late 1903 the Chicago Edison Company had opened its Fisk station at 111 West Cermak road, the first all steam turbine plant in the country and the marvel of the electric industry. Its initial units were of 5,000-kilowatt capacity. The modern Fisk plant has a capacity of 464,000 kilowatts, enough to supply the needs of a city of one million population.

Public Service Company of Northern Illinois became a subsidiary of Commonwealth Edison in 1937. Early in 1953, Public Service was merged into Commonwealth Edison, which took over its electrical facilities. A separate corporation to own and operate the Public Service gas properties then was formed. The new company, Northern Illinois Gas, with some 450,000 customers, is the second largest gas utility in the state, behind Peoples Gas.

The Peoples Gas system now has more than \$518 million invested in plant, property and equipment.

In 1953, the use of gas in Chicago by general customers had expanded to 800 million therms. Back in 1904, 85 million therms were used. The system's pipelines last year also supplied 2.1 billion therms to other gas utility companies, including Northern Illinois Gas Company.

Supplies Million

Peoples Gas supplies nearly a million customers in Chicago with gas for cooking, automatic hot water heating, refrigeration, space heating, incinerators and gas dryers. The swing to gas for cooking took place between 1900 and World War I. Soon after World War I the company expanded the use of gas for industrial and commercial uses. In the mid 1930's, home heating by gas was begun and in December, 1953, the company was providing space heating service to 134,000 residential customers.

There are more than 12,000 uses for gas in modern Chicago business and industry. Gleaming gas ovens turn out bread, pies, cakes in Chicago bakeries; gas is used in smoking, curing and processing meat; in shaping glass tubes used in radio and television, and in stress-relieving great metal tanks moved into mammoth furnaces on flat cars.

More than a billion cubic feet of natural gas flows daily from produc-

ing fields in the southwest through three major pipelines that meet at Joliet, Ill., from where it is piped to Peoples Gas and other distributing utilities serving the Chicago metropolitan area. Peoples Gas blends the natural gas with manufactured coke oven and water gas. Eventually, only natural gas will be used.

The first natural gas pipeline to serve Chicago was opened in October, 1931. The second pipeline was completed in 1949, paralleling the first from the Texas panhandle and western Oklahoma fields and creating a dual system with a daily capacity of more than 500 million cubic feet. The third pipeline was completed in 1951. Its capacity is 519 million cubic feet a day.

Herscher Project

To insure service to thousands of additional customers anticipated, Peoples Gas is proceeding with the enlargement and replacement of facilities. Last fall a new 17 million cubic foot gas holder, the largest in the system, was added to 16 others. More than \$15 million has been spent on a natural underground storage project at Herscher, Ill. A second stage, costing another 15 million, will depend on tests now being conducted to stop leakage. The underground reservoir would be used to store natural gas for winter heating.

Peoples Gas in eight years has laid some 360 miles of mains and installed more than 3½ million feet of service pipe and 200,000 meter sets.

Commonwealth Edison has installed eight great generating units with capacities of 60,000 to 150,000 kilowatts since the end of the war. More are being built, and when they are in operation, Edison's capacity will be near four million kilowatts, an increase of 71 per cent over 1954. Along with these have been built 134 substations which change voltage for local distribution. The pride of the company is the newly completed Ridgeland station at 4300 S. Ridgeland avenue, largest of the Commonwealth system plants, with a generating capacity of 600,000 kilowatts.

The Ridgeland station is a symbol of faith in Chicago for the site

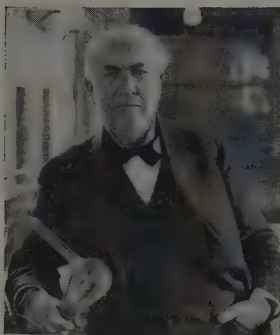


1904 ON STATE STREET, horses vied with early autos for the right of way. In those days, street-lighting was insufficient for night photography.



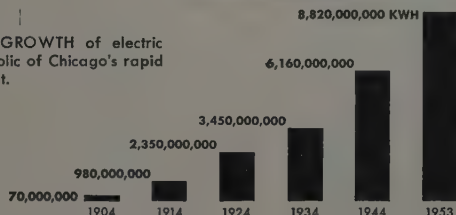
1954 TODAY'S STATE STREET is ablaze with light, as business booms far into the night. This photo, incidentally, was made without a time exposure.

ELECTRIC LIGHT AND POWER AND CHICAGO HAVE GROWN HAND IN HAND



75 YEARS AGO, Edison developed the first successful incandescent electric lamp.

AMAZING GROWTH of electric use is symbolic of Chicago's rapid development.



One of the most startling and convincing demonstrations of Chicago's tremendous growth can be read in the increase of electricity used in the city since 1904.

The increase is 12,500% . . . more than 125 times! In 1904, just 25 years after Edison's development of the first practical electric light system, the people in Chicago consumed 70,000,000 kilowatthours. Today's figure of 8,820,000,000 kilowatthours would have seemed a fantastic prediction in those days, but Commonwealth Edison's present system is expected to double by 1970.

We expect Chicago to keep right on growing.

COMMONWEALTH **EDISON** COMPANY

was purchased 31 years ago in the belief the city would grow tremendously. Chicago did grow and Commonwealth Edison continues to provide for future. Its big Will county station is being built on a 216 acre site bordering the Chicago Sanitary and Ship canal between Lockport and Lemont. The site is adequate for development of a one million kilowatt generating plant, more than three times the initial capacity of 300,000 kilowatts to be installed. By 1956, Edison expects to complete an 11 year expansion program costing 1 billion 100 million dollars.

Atomic Study

In association with three other power companies and an engineering firm, Commonwealth Edison is engaged in a study of a design for an atomic power plant. The projected plant would have 50,000 kilo-

watts capacity and would cost an estimated \$38 million. Headquarters for the group are in Chicago. Associated with Edison are Union Electric Company, St. Louis; American Gas and Electric Service Corporation, New York, N. Y.; Pacific Gas and Electric Company, San Francisco; and Bechtel Corporation, San Francisco.

In Chicago a half century ago there were 86,744 telephones. By 1910 there were 300,618. Since the end of World War II, Illinois Bell has increased the number of telephones in Chicago from 1,204,525 to 1,608,851, of which 84 per cent are dial operated.

Since the end of World War II Illinois Bell has spent $\frac{3}{4}$ billion dollars on construction. It plans to spend upwards of 190 millions more for additional building in the next two years. This outlay includes provisions for clearing up all "waiting

lists" for new telephones and for telephones with fewer customers on the same line. Twenty eight buildings have been erected and 49 expanded.

The company's intensive postwar program has cut the backlog of unfilled requests for basic service from 103,111 in 1945 to 3,800 at the end of June, 1954. Illinois Bell's present plant investment is \$859 million. At the end of World War II it was \$390 million, and back in 1904, \$14.6 million.

Charges Reduced

As more telephones have been added in Chicago and throughout the country, equipment has improved and charges have been reduced. It costs only about one third as much to call New York City from Chicago now as 30 years ago.

Some 30 years ago several firsts in radio transmission by telephone company wire facilities were made from Chicago. The transmission of radio programs by wire began on October 28, 1922, when station WEAf of New York City broadcast the Princeton-Chicago football game from Stag Field. On February 8, 1924, the wire hookup spanned the continent for the first time with a demonstration at the Bond Men's Club in Chicago.

Now the company's television and mobile services are paving the way to new fields. Illinois Bell facilities serve 13 television stations in Illinois. The company has 1,040 mobile customers with radio telephones in autos, trucks or boats. This number would be even higher if additional radio channels could be allocated by federal authorities to serve a backlog of 829 waiting customers in Chicago.

Work has also begun on a revolutionary system in Waukegan and Highland Park by which telephone users can dial their own long distance call direct to many parts of the country. Completion is scheduled for early 1955.

Methods and equipment change, but telephone customers remain about the same. When they become frantic about something they pick up the telephone. Illinois Bell handles about 500,000 emergency calls each year.



Peoples Gas pipeline takes to the air in Texas to avoid washout danger



First pipeline bringing gas to Chicago was completed in 1931



During the past half century The Chicago Association of Commerce and Industry has been a significant and constructive force in Chicago's affairs. For this we extend hearty congratulations.

Within the same span of years the firm of Sears, Roebuck and Co. has helped Chicago grow to become the merchandising center of the nation.

Sears points with pride to its 22,000 employees in Metropolitan Chicago and to its annual local payroll of more than \$75,000,000. Last year, our Chicago mail order plant and retail stores distributed \$311,000,000 worth of goods—evidence of the fact that Chicago's "mail order houses" are a vital force in the city's economy.



FOOD

(Continued from page 47)

duces eight thousand sacks of bread and cake flour each day.

Soybeans become livestock feed at the Borden plant in Kankakee, margarine at the Lever Bros Co. plant, and margarine and a host of other products at the Glidden Co. plant.

The largest corn refinery in the world, operated by the biggest firm in the business, is the Argo plant at 63rd and Archer owned by Corn Products Refining Co. Here corn is processed into a host of items, from salad oil and laundry starch to an ingredient used in penicillin. Argo processes a hundred thousand bushels of corn daily—a carload of corn products rolls out of the plant every 15 minutes.

Soybean Production

Soybeans have been cultivated for at least five thousand years, but as late as 1915 America's production was so small it was not recorded by the department of agriculture. World War I demands for cheap edible oils stimulated research and production until nearly 14 million bushels of soybeans were harvested in 1930. By 1949, the figure reached 220 million bushels. Today Illinois produces 90 million bushels, about one-third of the nation's crop; Iowa is second, and Indiana third.

Glidden's huge Chicago research laboratory has been the center for much of the investigation into the secrets of the soybean. It was here, in 1937, that the soybean protein was isolated for the first time, paving the way for many new industrial uses. Soybean derivatives have become basic ingredients in wallpaper adhesives, paint, insulation board, rubber, floor coverings, firefighting foam, leather processing and numerous other products.

Manufacturing facilities of many other food processors are found in the Chicago area, among them are Campbell Soup Co. and H. J. Heinz Co.; General Foods Corp., which makes baking powder, soft drink powder, corn grits, and dog food in its Chicago area plants; and General Mills, Inc., which produces flour cake mixes and ready-to-eat cereals at a big plant near Hammond.

One of the largest of these facilities is the home of a studious-looking

lion, a large clock, and Monarch Finer Foods. Founded in 1853 by Thomas Murdoch and Simon Reid, the firm moved to Chicago in 1865, and at the turn of the century built what was then the largest wholesale grocery building in the United States. Monarch today packs over 500 food items, and is now a division of the vast Consolidated Foods Corp., producer and distributor of food products with headquarters in Chicago.

The city's 250 wholesale bakeries, employing some 15,000 workers, represent the second largest aggregation of plant and production volume in this field in the nation. Among the largest firms are Schulze and Burch Biscuit Co., Ward Baking Co., Continental Baking Co., Gordon Baking Co., Piper Baking Co. and Burny Bros. Bakeries. National Biscuit Co. and Sawyer Biscuit Co. operate cookie and cracker plants here.

The past and present of the modern grocery store, where these myriad food products are sold, is more closely bound up with Chicago, perhaps, than any other phase of the food industry. It was here that two of the major corporate chains—National Tea Co. and Jewel Tea Co.—were founded. Today Chicago is both headquarters and a major market for these two giants. The Great Atlantic and Pacific Tea Company and Kroger Co. also maintain major distribution facilities and stores here. Together, these four firms sell about 40 per cent of the groceries purchased by Chicago housewives.

The Chicago metropolitan area is the most concentrated, competitive retail food market in the nation, according to the Associated Food Dealers of Greater Chicago. Of the city's 13,000 stores, about a thousand are operated by the corporate chains. Another 5,300 belong to 11 cooperatives, and the remainder are individually-owned units that do their own buying. Cooperatives maintaining their headquarters in Chicago include Certified Grocers of Illinois, Inc., with some 600 stores; Central Grocers Cooperatives, Inc., 500; Grocerland Co-Operative, Inc., 280; Progressive Food Stores, Inc., 200; Southtown Wholesale Grocers, Inc., with 200 stores operating under the

Thrift-Way name; and Midwest Grocery Co., 450. These are retailer-owned co-ops, with retailers owning shares of the warehouses and participating in the management.

The 1,150 Cardinal and Royal Blue Stores are voluntary groups of stores sponsored, respectively, by the Sprague Warner and Royal Blue Stores divisions of Consolidated Foods. The 200 IGA stores, similarly are a group of independently owned stores operating under the name of Independent Grocers Alliance and buying as a group from wholesalers.

National Tea was founded in Chicago in 1899 when George Rasmussen, a wholesale grocer, opened his first retail store at 1320 Belmont avenue. By 1911 there were 32 stores in the chain, all in the city. The firm's subsequent growth illustrates the increase in both costs and services attendant on modern food retailing. When National opened 53 new stores in 1920, the fixture and installation cost per store was approximately \$2,000, with each store stocked with some \$1,000 worth of merchandise. In 1952, the fixture and installation costs for a group of 47 supermarkets started at about \$45,000 per store, with the merchandise in each worth \$50,000 or more.

Home Service Routes

Jewel, Chicago's other home-grown food chain, also was founded in 1899, but as a coffee, tea and spice route operated door-to-door from a horse-drawn wagon. The wagons have been replaced by trucks and the salesmen now travel "home service routes," but Jewel's nationwide door-to-door business continues as a substantial source of income. In 1932 Jewel moved into the retail store business with the purchase of the 77 "groceries" of the Loblaw Co.

The other great chains represented in Chicago are A & P, which operates 300 stores and does about ten per cent of its business here, and Kroger with 114 stores and about seven per cent of its volume.

For generations, Americans have had more and better food available than any other country in the world. Today, Americans eat better than ever before. Chicago, situated in the midst of unrivalled resources and distribution facilities, has played a dominant role in achieving this goal.

What is CHICAGO'S BIGGEST INDUSTRY?



Feeding the Family!

It takes a lot to feed a city like Chicago. 1,017,243 homemakers, aged 17 to 87, cook 1,113,881,085 meals a year, and if that isn't a big industry what is?

Cooking is an international art in Chicago, where native American recipes come to the table at their flavor-fresh best and fine cooks with Swedish, Italian, German, Hungarian, Spanish, Irish, Jewish, Greek, Polish and many other backgrounds prepare their

favorite dishes with the world's finest foods.

We take pride in the fact that for more than a quarter of a century so many of Chicago's homemakers have made Kroger a familiar part of the Chicago scene.



Railroads

(Continued from page 39)

"through," 10,000 intra-terminal, 20,000 inbound and outbound.

The Elgin, Joliet, & Eastern Railway, also known as the Chicago Outer Belt, loops around Chicago from the steel mills at Gary to Waukegan on the north. It crosses every railroad entering Chicago, and maintains interchange facilities with each. As a result it carries more tonnage per mile of line than any other Class 1 railroad.

More than 1,700 passenger trains—better than one a minute—glide in or out of Chicago daily—545 "through", 1,225 serve Chicago commuters. Passenger traffic on a normal business day averages some 280,000 commuters and 47,000 passengers to or from distant points.

Even under Chicago's loop streets there's a unique 40-mile railroad in a system of tunnels, where pint-size freight cars pulled by tiny electric locomotives shuttle between private shippers' loading docks and freight houses of the Chicago Tunnel company and major railroads.

More than 53,000 people "working on the railroad" in the Chicago district account for an annual payroll of over \$200 million.

Mass Production

Fifty years ago, a few horseless carriages had been invented, and somewhere Henry Ford was tinkering with his Model T that was to introduce mass production, a new industrial revolution, and a threat to rail freight and passenger traffic. But at that time, the railroads were still enjoying a virtual transportation monopoly, except for a small amount of competition from waterways—a competition that may assume greater importance with the forthcoming development of the St. Lawrence Seaway. In World War I, the plane and the truck demonstrated their efficiency, and after the war, a vast highway improvement began.

When Uncle Sam returned the railroads to their owners after that war, a multi-billion dollar improvement program got under way. Air-conditioning was introduced, and in 1927, the Chicago & North Western put into service the Midwest's first diesel-electric locomotive, a

switcher used on the north bank of the Chicago river. Traffic and earnings—in keeping with the times—zoomed. In lush, flush 1929, railroad net income hit a record \$897 million. In the early '30s, financial disaster hit the rails—one-third of the nation's railroad mileage went into bankruptcy. Trucks, buses, planes and autos began a serious assault on rail traffic. Yet it was in these blackest of days that the rail industry began the technological advances that are primarily responsible for its riding out the depression, overcoming the handicap of substantial increases in wage and material costs and surviving even a seeming indifference—at times—on the part of the Interstate Commerce Commission when fast rate relief was needed. Of course, there was later help from swollen earnings in World War II.

It was in the spring of 1934—in the depth of depression—that a significant event occurred.

The Burlington Railroad's "Pioneer Zephyr" raced the 1,000-odd miles between Chicago and Denver between dawn and dusk. This launched an era of diesel-drawn, high-speed, streamlined passenger trains, which partially stanchied the flow of passengers to buses and automobiles. Typical of what followed was the inauguration in 1936 of the first 39¼-hour passenger streamliners between Chicago and Los Angeles by the Santa Fe Railway. The North Western meantime had set a fast pace by making its Twin Cities "400" the first mile-a-minute scheduled train on runs over 200 miles. As its name implied, the train sped 400 miles in 400 minutes. In 1938, 16-hour passenger train schedules were put in effect between Chicago and New York. A vast air-conditioning program was completed. Before Pearl Harbor, the first diesel-electric freight locomotive went into regular service on the Santa Fe Railway.

Railroaders pretty much agree that it was the diesel-electric locomotive more than any other single physical improvement that pulled the industry out of red ink operations. The efficient diesel, which can haul twice as many freight cars as the steam locomotive, pays for

itself in a few years. Rail managers have bought the new power at such a clip that in about five years the hoarse honk of the diesel will have stilled forever the whistle of the coal-burning steam locomotive.

During and after World War II the railroads spent billions of dollars not only for new power but for other improvements to speed up train movements and trim expenses. In 1951 these expenditures hit a record \$1.4 billion. The outlays went for such things as improved communications—radio-telephones in locomotive cabs and cabooses, in yard towers, and in wayside stations; for centralized traffic control—a fast method of directing train movements from a central, electrically operated control board, giving a near-equivalent of double track operation over single track sections; for "push-button" classification yards, where freight trains are broken up and made up in jig-time.

Automatic Switching

In these modern yards, cars for new trains are pushed up an incline or "hump" and rolled down by gravity on the other side to various classification tracks. Switching to these tracks is done by automatic buttons from the towers, and the speed of the cars is controlled by retarders that reach up over the tracks and grip the wheels.

Steep grades were flattened, or reduced; horseshoe curves were straightened. Freight cars were built to accommodate a 25 per cent greater load than in the 1920's. "Dome" passenger cars—featuring a glass-enclosed penthouse or upper deck, to give travelers a more scenic ride—have been introduced in an attempt to lure travelers out of private automobiles, which today account for 85 per cent of all inter-city travel and give railroads more concern, as a competitor, than the bus or the airplane.

Improvements like these were largely responsible for a rising level of operating efficiency in the postwar period, although the heavier traffic occasioned by the Korean hostilities was a contributing factor. The average daily mileage of freight locomotives is better than 125 as compared with 103 in the 1936-40 period and 80 in the 1921-25 period. An accurate measure of



At Chicago the die was cast

JUST 20 YEARS ago America's first General Motors Diesel-powered main-line train made the run from Denver to Chicago in half the time of the fastest scheduled steam locomotive—and cast the die for the railroads' conversion from steam to Diesel locomotives. A mute testimony to the scope of this railroad revolution is given by the growth of Electro-Motive's plant in La Grange—the Home of the Diesel Locomotive. Since 1935 it has increased tenfold in size—now measures 2,393,023 square feet—covers 55 acres under one roof.

Its products, General Motors Diesel locomotives, handle more than half the motive power work on Class I railroads in this country—outnumber all others on America's railroads because they've

demonstrated their ability to do more work at less cost on every assignment.

The change from steam to Diesel locomotives didn't take place overnight. It is, in fact, still going on. Today many railroads are completely dieselized and many more are on the threshold of complete dieselization.

Dieselization has paid big dividends to America's railroads. In 1953, for example, it saved Class I railroads \$600,000,000 in *fuel and maintenance costs alone*. If all railroads were completely dieselized, they would have saved an added \$186,000,000.

Today, the same designers, production executives and skilled workmen who built the locomotives that made these tremendous savings possible are working on other new products for a better America.

ELECTRO-MOTIVE DIVISION • GENERAL MOTORS



La Grange, Illinois • Home of the Diesel Locomotive • In Canada: GENERAL MOTORS DIESEL, LTD., London, Ontario

transportation efficiency is, the service performed per average freight train hour. Freight now turn in an hourly service equal to transporting some 24,000 tons of freight one mile, against 21,500 in 1951 and 13,000 in the 1936-40 period.

In 1953, railroad net zoomed to a level near the 1929 high. But behind the rosy financial and efficiency statistics were some cold facts that put furrows in railroad managers' brows. Competitors—particularly highway haulers — had

been taking increasingly bigger bites of total available traffic. In 1930, railroads were handling about 75 per cent of total freight business available (and 85 per cent of rail income is from freight); truckers about four per cent, with the rest going to oil pipelines, and inland and lake transport. By 1953, the trucks had some 17 per cent of the total; the railroad share had fallen to about 53 per cent. Rail men recognize they no longer have a monopoly, but they're hollering

"foul." They say truckers have a fair advantage in lower rates made possible because they're using public highways for which they're not paying high enough user fees.

In the opinion of most rail leaders a new, clear-cut national transportation policy is needed to wipe out inequities of this sort. Meantime it appears that only a continuing improvement in the quality of transportation will protect future rail earnings against continually rising costs and a tough competitive situation.

Innovations already are being tried or are on the immediate horizon. One interesting current experiment is a trial marriage of the traditional feuders—the railroads and truckers—by hauling truck trailers on railway flat cars between origin and destination cities, and letting the flexible truck tractor deliver the trailer to and from the railway freight yard. This kind of "piggyback" haulage has been conducted with some success for a number of years by the New Haven, the Chicago Great Western, and the Chicago & Eastern Illinois. In the past the trailers were loaded only with freight of the trucker's customers, but rail men are extending the current trials to include the handling of their own less-than-carload freight and trailer loads. Freight solicited directly from shippers at rates competitive with trucks.

New-Type Train

Some new-type passenger train equipment is about to get a real service test. The Rock Island has ordered a revolutionary low-slung, lightweight, articulated train for service between Chicago and Peoria. This "caterpillar" type train, with a low center of gravity, can maintain high speeds on curves and will be cheaper to own and operate. Conceivably, it may be cheaper to ride—which might well win back some of the traffic lost to the private automobile, the bus, and the airplane.

Atomic power may one day push the diesel off the rails. Rail men figure mobile atomic power plants for private industry are bound to follow stationary power plants, and



Chicago's Own Railroad



It is significant that Chicago's first mayor, William Butler Ogden, was the guiding spirit behind Chicago's first railroad, the Chicago and North Western Railway, for our founding fathers well knew that no city could hope to live and prosper without adequate transportation.

The day North Western's first train took to the rails on October 25, 1848, Chicago established herself as the trade mart of the West. And, as the road thrust its lines deeper and deeper into the fertile territories of the North and West, the city's horizon likewise deepened and its commerce flourished.



106 years have passed since North Western pioneered the first railroad of the West. Gone are its wood-burning locomotives, its strap-iron rails and its primitive freight and passenger cars. Today, North Western serves its mother city and the thousands of communities along its 9500-mile rail system with luxurious passenger streamliners and the most modern freight-moving equipment.



CHICAGO AND NORTH WESTERN RAILWAY SYSTEM

Charter Member of the Chicago Association of Commerce and Industry

“50 Years of Achievement” wins our acclaim

MCMIV



The year is 1904. Theodore Roosevelt occupies the White House—the Chicago, Rock Island & Pacific is in its 52nd year of operation—the GOLDEN STATE (Limited), “most luxurious train to the Pacific Coast,” is a lusty, two-year old—the La Salle Street Station is spanking new—an organization known as the Chicago Association of Commerce and Industry is born.

MCMLIV



Fifty years pass . . . it is now 1954. The Chicago Association of Commerce and Industry, with a half century of helpful service behind it, continues to serve the business men of Chicago. The Rock Island is also “going strong.” Its diesel-powered ROCKET FREIGHTS are doing a magnificent job of freight hauling; its streamlined ROCKETS are satisfying the travel needs of many.



Lean years, fat years, war years, peace years—both the Association and the railroad have weathered them all. We of the Rock Island congratulate you of the Association on your 50 years of achievement. May you continue to wield a salutary influence for many long years to come. Yours as well as ours is

A Service that Never Ceases

A Story that Never Ends

Rock Island Lines
THE ROAD OF PLANNED PROGRESS

that this isn't too far in the future. Some designs already are on the drawing boards.

A nostalgic backward look shows the city's progress riding on steel rails at the turn of the century. Or look back a hundred years and the picture's the same. Until 1848, Chicago was a raw frontier town sprawling at the foot of Lake Michigan. The best means of transport in this part of the country were river boat, sailing vessel, or stage coach. Quickest access to the East—where railroading was already under way—was a trip by lake ship to Buffalo.

A few attempts had been made to build railroads in Illinois, mostly to connect the Illinois-Mississippi river system with Lake Michigan. (The Illinois-Michigan canal had already been built.) Chicago's first mayor, William B. Ogden, had looked westward toward the Mississippi rather than to the East. He

was leader in a group that formed the old Galena & Chicago Union Railroad, a forerunner of the Chicago & North Western Railroad.

Epoch-making Run

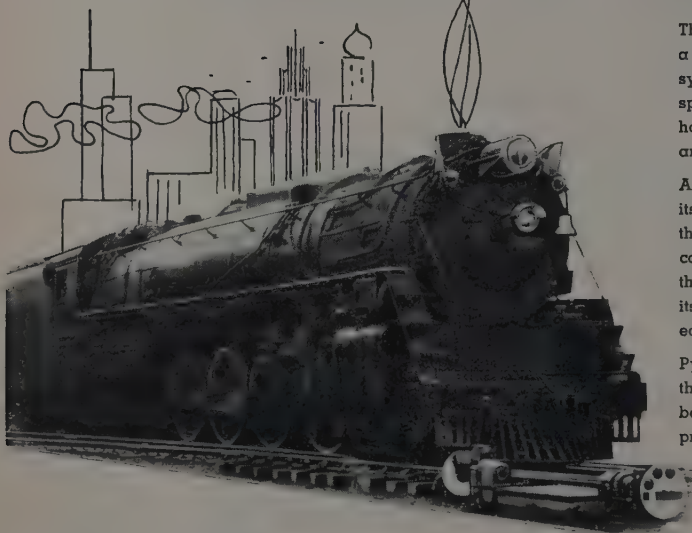
On Oct. 25, 1848, an epoch-making five-mile run was made from Chicago to what is now Oak Park and back by a third-hand, funnel-stacked woodburning locomotive, the "Pioneer," that had been brought to Chicago on the brig Buffalo. The spark-spitting woodburner pulled a car filled with local dignitaries. Later, it made trips to bring back tons of wheat hauled to the railhead by Illinois farmers, and Chicago was off to a future as the world's greatest railroad town. In 1948, the little Pioneer, still operating under its own power and still shooting sparks from its old-fashioned stack, rolled across a stage at the Chicago Railroad Fair

to the cheers of thousands celebrating 100 years of railroading in Chicago.

The coming of the railroad sparked a giant in another field of transportation — Parmelee Transportation Company — now the largest operator of taxicabs in the country and operator of airport service in Pittsburgh, Minneapolis and Chicago. Parmelee was formed in 1853 in Chicago to transfer passengers and their baggage from one railroad station to another and from the stations to hotels. It still renders this service.

By 1904 Chicago had "arrived" as the rail crossroads of the nation. The Pennsylvania, New York Central, Baltimore & Ohio, Nickel Plate, Erie—all the major eastern lines had built into Chicago and the great expansion of rails across the plains and mountains of the West was nearly complete. Chicago

farewell old friend...



The chugging of the steam locomotive is almost a forgotten note in Chicago's commercial symphony...today the Diesels roar with modern speed and efficiency. Railroading and Chicago have changed considerably since 1897... and so has Pyle-National.

A half century ago when railroading was hitting its stride, Pyle-National was organized to serve this rapidly growing industry. Today this company not only maintains its leadership in the railway supply business but has expanded its sales of electrical fittings and air distribution equipment to all types of industry.

Pyle-National is proud to have been a part of the last half century of The Chicago story and we believe the next fifty years hold even greater promise for us all.



THE PYLE-NATIONAL COMPANY

1334 North Kostner Avenue • Chicago 51, Illinois

CONDUIT FITTINGS • PLUGS AND RECEPTACLES • FLOODLIGHTS • MULTI-VENT AIR DISTRIBUTION



Things are happening again in Chicago's "Front Yard!"

THE upward-reaching steel fingers of the new Prudential Building herald another era of development for Chicago's famous "Front Yard."

Towering above the rails of the Illinois Central, the Prudential Building rises as the pioneer structure in what may well be a new community of skyscrapers built on Illinois Central air rights.

It is fitting that the city's lakefront should grow *upward* from the Illinois Central. Nearly one hundred years ago, the rails ran across the lake in front

of the city, forming a breakwater from which the land grew *in*. Illinois Central suburban service helped expand the city southward. Thirty-five years ago the railroad made possible the present lake front by relinquishing its riparian rights to the city, enabling it to grow *eastward*, creating the famous "Front Yard" of today.

The Illinois Central has grown with Chicago. Its trains, linking the city with the South and West, have nourished commerce and industry, helped Chicago and all of Mid-America prosper together. In the future, the railroad shall continue to work with and for all those who cherish the city's well being and growth.

Main Line of Mid-America

ILLINOIS CENTRAL





FIRST CLASS SHIPS... FIRST CLASS SERVICE

For forty years Mooremack has been a name of consequence in the world of shipping . . . today, more than ever, on both the Atlantic and Pacific coasts of the United States and in South America, Scandinavia and Continental Europe, Moore-McCormack ships represent the newest, most modern and most efficient in transportation.

REGULAR AMERICAN FLAG SERVICE

AMERICAN REPUBLICS LINE

U. S. East Coast to South America

PACIFIC REPUBLICS LINE

U. S. Pacific Coast to South America

AMERICAN SCANTIC LINE

U. S. East Coast to Scandinavia and Baltic ports

MOORE-McCORMACK
Lines

105 W. Adams St.

Chicago 3, Ill.

OFFICES IN PRINCIPAL CITIES OF THE WORLD

had numerous rail links with West. The St. Paul had reached the Missouri River in South Dakota; the Rock Island had pushed to Tucumcari, N. M., to connect with the Southern Pacific, partner in a route to the West Coast; Santa Fe's rails had already reached California; the map of farflung Burlington to the West Northwest, and Southwest was much as it is today. Illinois Central had built south to New Orleans, was bringing in trainloads of bananas unloaded from ships in the Central American trade, as well as the first complete trains of strawberries from southern Illinois.

An era of frenzied financing of railroads was largely over; so was a period of unbridled rate wars that had forced the birth of the Interstate Commerce Commission.

Passenger Traffic

Old files in Chicago railroad offices turn up colorful bits of history from that time: For example, railroads were still doing a brisk business hauling emigrants westward. Chicago's pioneer railroad, the North Western, handled over 15,000 emigrants in 1903. But in comparison of this road's passenger figures then and now underlines emphatically what the auto and other competitors have done to long-distance travel on the rails. In 1903 the North Western carried nearly ten million travelers as well as commuters. In 1953 the number had shrunk to 6.6 million. North Western's freight ton-miles more than doubled in the 50-year period.

In the Rock Island's 1904 report there was a hint of future receiverships, with a further wringing of water from rail capitalization and the advent of more conservative management. In that year, the Rock Island grossed nearly \$45 million. After charges and expenses, there was left a net income of \$6,028,100. Distributions totaling \$5,985,000 were made to stockholders, and a munificent sum of \$43,138 was transferred to surplus. Fifty years and two receiverships later, the Rock Island is one of the most prosperous and well run roads in the country. The fact is, most railroads headquartered here are considered to have top management

SEAWAY SPURS PORT PLANS

By

Mel Sokol

CHRONICLERS of Chicago's history may well mark 1954 as the year of re-awakened public consciousness of the city's position as one of the great ports of this continent.

Several developments have made Chicagoans aware, as perhaps never before, of the importance of waterborne freight traffic in Chicago industrial area. One was the enactment of legislation for the Great Lakes-St. Lawrence Seaway. Another was the development of plans for the Chicago Regional Port District Board for \$25 million worth of self-liquidating dock and terminal facilities in Lake Calumet. A third was the increased pressure for widening of the Calumet-Sag Channel linking the great Calumet industrial district with the Illinois Lakes-to-Gulf Waterway.

These developments focused the spotlight on the fact that Chicago's water traffic far exceeds that of the Panama Canal, and tops such great ports as Boston, Philadelphia, Norfolk, San Francisco, and San Diego.

Definition Varies

Depending on the definition you use, Chicago is either the third largest or the sixth largest American port. As defined by the Army Corps of Engineers, the Port of Chicago consists only of the downtown Chicago Harbor and River, the Chicago Sanitary and Ship Canal, and, on the far south side, the Calumet Harbor and River, Lake Calumet, and the Calumet-Sag Channel.

Generally, however, Chicago's port facilities are considered to include the ports at Indiana Harbor, Joliet, and Gary, all in the Indiana section of the Calumet district, an integral part of the Chi-



One of the huge ore boats that travel the Great Lakes is Inland Steel's "L. E. Block"

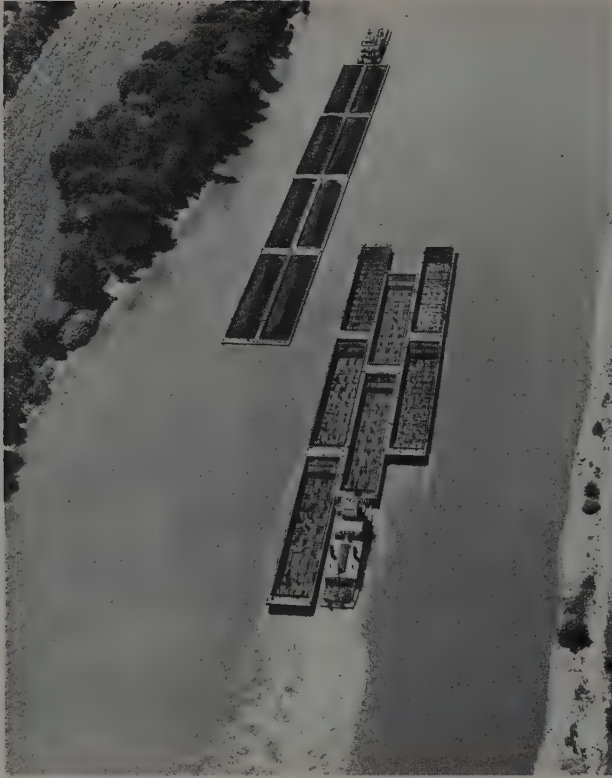
Pressure For Widening Of Cal-Sag Channel Increased;

\$25-Million Blueprint For Lake Calumet Readied

Portion of the Calumet-Sag Channel. Buildings at right are Republic Steel's South Chicago Works

Morris Aerial Survey





Barges pass on waterway

Morris Aerial Survey

cago industrial area. Even Waukegan, Ill., is often included as a Chicagoland port.

The Army's annual report covering 1953 showed that the Port of Chicago handled 38.3 million tons of cargo in 1953, for a sixth-ranking position among all the ports of the country. New York was first with 139.4 million tons, followed by Duluth with 77.2 million, Houston 44.3 million, Baltimore 41.8 million and New Orleans 39.7 million. Philadelphia was a close seventh with 37.3 million tons, while Norfolk was far behind with 24.1 million.

Two Great Waterways

Chicago stands astride the two great inland waterways of North America—the Great Lakes and the Lakes-to-Gulf Waterway. The latter, opened in 1933, has been a big factor in the rapid gains in Port of Chicago tonnage. Barge traffic on the waterway has far exceeded expectations, and is still growing, despite the handicap of the Calumet-Sag Channel bottleneck.

Up to 1905, Chicago Harbor and

River was the leading port of the city, but thereafter Calumet Harbor and River, located near the Illinois-Indiana state line, forged ahead. The ascendancy of Calumet Harbor can be credited to: (1) The establishment of steel mills and other industries in South Chicago and Indiana; (2) passage in 1907 of the last of a series of acts by the Illinois legislature, turning over to various park boards approximately 15 miles of lake frontage for park and recreational uses and thereby closing the Chicago Harbor district to industrial development, and (3) the change in the character of Great Lakes traffic.

Heavy bulk commodities now constitute practically all lake commerce. Last year, for example, iron and iron ore concentrates made up approximately one third of the tonnage handled at Chicago, all going to the Calumet district to feed the huge steel mills. Incoming and outgoing shipments of bituminous coal accounted for approximately one-seventh of the total, while limestone and grain were third and fourth, respectively, among principal commodities handled.

General cargo, except for overseas shipments, has virtually disappeared from the Great Lakes, as has passenger traffic. The decline was apparent as early as 1916 when Chicago's Navy Pier, designed specifically for passenger and package freight business, was completed. During World War II, the pier was converted to other than maritime uses, and while there has been some demand that it be restored as a terminal, a portion continues to be occupied by a branch of the University of Illinois.

Railway Freighters

Railway package freighters began to disappear from the Great Lakes about the turn of the century. At one time they numbered more than 90, but by 1915 this figure had fallen to 56, and by 1930 only about 10 were in active service. The Panama Canal Act of 1915 forced the railroads out of the steamship business and their speedy ships were turned over to other operators.

Bulk freighters which now dominate the Great Lakes have changed little during the past half century. Their average age is 40 years and some 200 of the so-called 500-footer that began to appear around 1900 are still in service. The chief difference in newer ships is their size. Length has been increased from 500 to 670 feet, beam from 54 to 70 feet, and depth from 28 to 37 feet, doubling cargo capacity to 20,000 tons. Speed has increased from 11 miles an hour to 18.

Most of the bulk carriers were pretty well mechanized by 1904 and such changes as have taken place since then in materials handling equipment have been largely in the nature of improvements. Aids to navigation, such as radar, the radio direction finder, the gyro compass, and radio ship-to-shore telephone now are pretty much standard equipment on lake vessels.

In recent years, ships flying the flag of foreign countries have been seen in increasing numbers on the Great Lakes. Chicago had ocean traffic as early as the middle of the 19th century. The little schooner Dean Richmond pioneered when she left Chicago in 1856 for Europe. Other vessels from this and other lake ports, and from Europe, followed in her wake. On July 14, 185

OGDEN, SHELDON & CO.

Founded in 1836 by William B. Ogden

First Mayor of the City of Chicago

Real Estate — Property Management

111 W. Washington Street, Chicago, Illinois

Agents for

THE CHICAGO DOCK AND CANAL COMPANY

Hermann J. Dirks, President

Sheldon Lee, Secretary

Ewald E. Mueller, Treasurer

Also founded by William B. Ogden and incorporated February 12, 1857 under a Special Act of the Legislature of the State of Illinois with Abraham Lincoln as attorney for the incorporators.

Warehouses on Rail and Dock at the North Pier—Outer Drive—Michigan Canal and Chicago River.

The management of the properties of this Company has been in the hands of Ogden, Sheldon & Co. during the almost ninety-eight years of its existence.

We salute The Chicago Association of Commerce and Industry on its Golden Anniversary.

a small British brigantine of 123 tons arrived at the North Pier at the mouth of the Chicago River with a cargo of freight consigned to Messrs. Burch, merchants and bankers of Chicago. She was the Madeira Pet of Guernsey, first British vessel direct from Liverpool to wet her keel in the Chicago River. In 1863, the Sleipner, first European vessel to bring immigrants to Chicago, docked at the pier with 104 Swedish immigrants aboard. Part of her cargo consisted of 200 barrels of herring consigned to Svano & Synnestveit of 115 Kinzie street.

This traffic all but ceased in the years that followed and it was not until July 25, 1931, that the first foreign vessel in many years arrived at the Port of Chicago. It was the Swedish steamship Anna with a full cargo of barbed wire, chicken wire and similar steel products direct from Antwerp, consigned to Montgomery Ward & Company. The Anna was followed by other vessels operated under charter from Olsen and Ugelstad of Oslo, Norway, that season. The charter service was dis-

continued and Olsen and Ugelstad formed the Norwegian Fjell Line. The Dutch-owned Oranje Line came along a few years later. Both continued to operate regular overseas service to and from Chicago until the outbreak of World War II in September, 1939.

Shortly after VJ-day, Fjell and Oranje were back. They have been joined since by the Swedish American Line, the French Fabre Line, and the Hamburg Chicago Line, which jointly with Great Lakes Services, provides a weekly sailing from Chicago. Among other overseas carriers docking at Chicago ports are the German Ahlman Trans-Caribbean Line, which last year began service between the Great Lakes and Central America; the Metron Line, an American company, and the British flag Ellerman's Great Lakes Line, which inaugurated service in September, 1954, between the Great Lakes and Mediterranean ports. These firms now are operating 74 vessels, 15 more than in 1953 when they hauled more than half a million tons across the Atlantic, to or

from Great Lakes ports. Volume last year was 18 times larger than in 1946 when commerce between Great Lakes and European ports was resumed.

The Great Lakes-St. Lawrence Seaway is expected to boost this traffic. Foreign ship dockings at Chicago in 1953 totaled 188. If the prediction made by Matrin O. Oettershagen, deputy administrator of the St. Lawrence Seaway Development Corporation and former port manager for Chicago materializes, from 80 to 1,000 foreign ships will dock at Chicago ports each year after the seaway is opened, and within ten years the volume of import and export traffic will grow to ten million tons annually.

Vessels Limited

Present vessels operated by the foreign flag lines are limited by the Lachine and Soulange canals on the upper St. Lawrence River to a length of 258 feet and a maximum draft of 14 feet. These two channels will be by-passed when the St. Lawrence Seaway is completed. In anticipation of the eventual construction of the seaway, the ships were so designed that they can be cut in half, and length can be added amidship, thereby increasing their cargo capacity.

Typical imports unloaded at Chicago docks include steel products, graphite and chemicals, from Germany, Belgium and Holland; toys, beer, crockery and Christmas ornaments from Germany; sewing machines, glassware, fish (dried, in cans and kegs), cod liver oil, and nickel and aluminum ingots, from Scandinavia; whiskey from the United Kingdom; wine from the Mediterranean area; and miscellaneous cargo, such as bicycles, starch, calculating machines, lime juice, shoes and carpets.

Outbound from Chicago, the ships' holds are loaded with crane auto parts, synthetic rubber, hides, milk, dried and in drums; uniforms, clothing, casings for sausages, tin plate, fat-backs, lard, tractors, dent plaster, chicken feathers, soybean lubricating oil, and machinery of various kinds.

The Calumet-Sag Project, authorized by Congress in 1946, is expected to swell Chicago's growing waterborne commerce. Funds for the start of the work are expected to be voted

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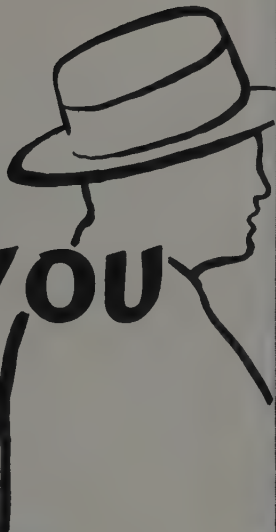
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Tel.: STerling 3-5450

RIO DE JANEIRO, BRAZIL
Avenida Presidente Vargas 642
Tel.: Rio 43-37-47

during the 1955 session of Congress.

The project calls for widening of the Calumet-Sag Channel from a present usable width of 60 feet to 225 feet, and widening of the Chicago Sanitary and Ship Canal from Lockport to Sag Junction from a present width of 160 feet to 225 feet. This will permit large barge trains to move uninterruptedly between the Illinois Lakes-to-Gulf Waterway and Calumet Harbor. The project also includes improvements on the Grand Calumet River to facilitate barge traffic into Indiana Harbor and Gary.

20,000 Ton Cargo

A tow, or typical assembly of towboat and barges, consists of a pusher-type towboat at the rear and from two to a dozen or more barges. A single tow may contain 20,000 or more tons of cargo, or as much as the largest Great Lakes freighter can hold and twice the load of a modern ocean-going cargo vessel. At present, because of the restrictive width of existing channels, large tows must stop at Brandon pool, just south of

Joliet, where they are broken up into smaller tows before proceeding up the 160-foot wide Chicago Sanitary and Ship Canal to the Chicago River and Harbor or to the narrower Calumet-Sag Channel.

The Chicago Sanitary and Ship Canal, completed in 1900, was constructed primarily to solve Chicago's sewage and drainage problem, but as the volume of water necessary for proper dilution of sewage was about the same as was necessary for navigation, the Sanitary District of Chicago saw fit to incorporate navigation features into its design. At the same time, the flow of the Chicago River was reversed so that it drained from instead of into Lake Michigan.

Following the route of the abandoned Illinois and Michigan Canal, the new channel connected the south branch of the Chicago River with the Des Plaines River, which flows into the Illinois and thence to the Mississippi and Gulf of Mexico.

Construction of the 16.2-mile long Calumet-Sag Channel was undertaken by the Chicago Sanitary District in 1911, as a run-off for sewage orig-

inating south of 87th street. It was completed in 1922. Since July 1, 1930, the channel has been a federal waterway by act of Congress. It extends from the Chicago Sanitary canal near the Village of Sag Bridge east to the Little Calumet River just outside Blue Island, and is linked with Lake Michigan by the Calumet River.

Opening of the Chicago Sanitary canal at the turn of the century, provided once again an all-water route from Lake Michigan to the Mississippi Valley via the Chicago River, which the Illinois and Michigan Canal had made available in the early days of Chicago. Water traffic built up quickly and reached a peak of 915,000 tons in 1927. But in 1930 tonnage hit a low of 92,000 tons.

In the 20 years since the Illinois Lakes-to-Gulf Waterway was completed, tonnage on the Chicago Sanitary canal has more than tripled, rising from 482,000 tons in 1933 to 15.7 million in 1953. One of the heaviest users of the waterway is the petroleum industry.

Completion of the Cal-Sag channel provided a second route connecting Lake Michigan with the Lakes-to-Gulf Waterway. Since 1933, barge traffic on this segment of the route has built up from 14,850 tons to 3.1 million in 1953. With its present width, four million tons annually about the maximum it can handle. When it is widened, the Cal-Sag is expected to carry 18 million tons of traffic a year.

Military Value

The Illinois Lakes-to-Gulf Waterway proved its military value during the war years when more than 1,200 vessels, including 28 submarines and 72 ocean-going vessels, were moved from shipyards on the Great Lakes to the Gulf of Mexico via the Chicago Sanitary canal.

While the Calumet-Sag Project awaits the appropriation of federal funds, the Chicago Regional Port District Board is moving to improve public terminal facilities in the area. The majority of terminals in the Chicago region are privately owned and operated.

The Chicago Regional Port District Board is negotiating a \$25 million revenue bond issue to finance the construction of four trans-

(Continued on page 310)

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Courtesy of the Chicago Historical Society

Tuesday, October 10, 1871

The Great Fire was over. Chicago lay in ashes . . . over 17,000 buildings destroyed.

Among them was a concern on State near Madison, where this picture was taken: Fairbanks, Greenleaf & Co., suppliers of weighing equipment.

There was little to show for the building now—unless you'd count a chunk of metal found in the ruins. Someone recognized it as the adjusting knob from a revolving chair, now melted into a lump.

The owner of the chair was busy elsewhere: a young partner in the business named Charles H. Morse. For two days and nights he'd been hard at work: going over records pulled from the blaze . . .

finding a basement store the fire hadn't reached . . . wiring for supplies he knew the city would need.

And so the business survived. Born with Chicago (Fairbanks Scales dated from the 1830's), it now came back with Chicago. A new business, with a new name: Fairbanks, Morse & Co.

Like Chicago, it grew rapidly. Into new lines: pumps and motors for America's industry . . . locomotives to haul its goods. Diesel generators to light the towns . . . water systems to serve the homes.

It is pleasant to have shared in Chicago's many contributions. Satisfying to have shared in its growth. Good to be a part of "The Chicago Story."



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PUMPS • SCALES • HOME WATER SERVICE EQUIPMENT • FARM MACHINERY • MAGNETOS

New Terminal Marks Bus Progress

Late Starter In Intercity Bus Travel, Chicago Now Leads U. S.

By Mel Sokol

CHICAGO was a later starter in the business of intercity bus transportation, as might be expected of a city with the world's most extensive railroad facilities, but today it leads all other cities as a point of origin, departure and transfer for bus passengers.

On an average day, 900 or more

buses enter Chicago or depart from it. A little more than a generation ago the count was only about 40 bus departures and arrivals daily. The annual passenger count today is about five and one-half million.

Bus transportation virtually entered a new era with the opening in Chicago last year of the new \$10

million Greyhound terminal at Randolph and Clark streets. For the first time, intercity bus passengers were offered terminal facilities equal in convenience to the finest maintained by railroads. Bus travel had attained a new dignity.

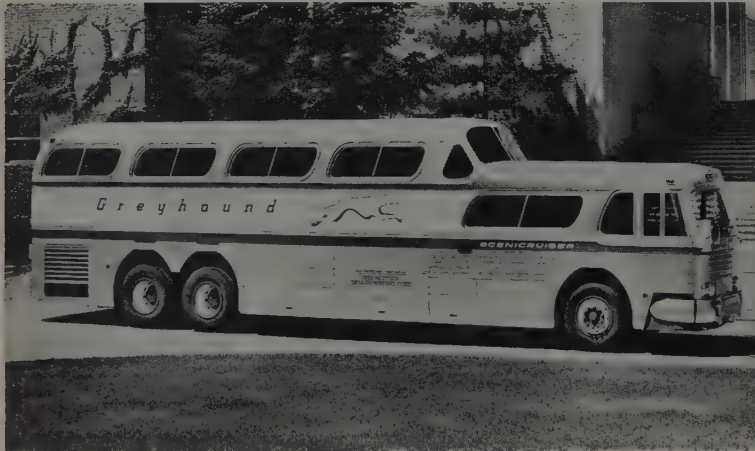
The terminal, reputedly the world's largest independently owned bus terminal, embodies such modern features as air-conditioning, attractive waiting rooms, numerous shops, a restaurant, and escalators to carry passengers to and from the waiting room and ticket offices in the first basement, and the loading concourse in the second basement.

Striking Contrast

The off-street loading and unloading, the downtown location, and the other comforts of the new terminal contrast strikingly with the terminal at 12th street and Wabash avenue that Greyhound had used for 2 years.

Eight intercity bus lines operate more than 500 buses in and out of the huge depot each day during peak travel months, and there is ample room for expansion. Boarding stations, in saw-tooth pattern, provide room for 31 buses at a time. Allowing 15 minutes for loading, as many as 124 buses, with a capacity of more than 4,500 passengers, can be dispatched every hour.

The first record of a motor bus operation in the United States dates back to 1905, but it was not until the 1920's when the building and improvement of highways was spurred by soaring numbers of automobiles that intercity bus transportation surged forward. During 1922 and 1923 alone, more than 5,000 so-called bus companies sprang up in various



ABOVE: Greyhound is putting 500 of these "Scenicruisers" into service

BELOW: Chicago's new Greyhound terminal





Chicago Factory of Wm. Wrigley Jr. Co.

A Message of Appreciation

All of us who have grown and prospered in Chicago owe a vote of thanks to the Chicago Association of Commerce and Industry. No other single organization has done so much during the past half-century to make Chicago a great place in which to work and live.

The Wm. Wrigley Jr. Company are proud to be a part of this Association. We were in business in Chicago when the Association started, and we thought that the Association was based on a good idea. Our experience over the past fifty years has proved this to be true. As the representative of the business, professional and civic interests of the city, the Association has been among the leaders in

forging Chicago's phenomenal progress.

But the story of Chicago's progress is really just beginning. Approval of the St. Lawrence Seaway opens a bright new vista for our future prosperity. And with this exciting prospect come visions of industrial expansion, ambitious new housing developments, and further civic progress.

Having seen Chicago's amazing growth as a center of commerce and industry during the past half-century, and with faith in the future prosperity of Chicago, we salute the Chicago Association of Commerce and Industry because we know that under its capable leadership, these visions of today will become the realities of tomorrow.

Wm. Wrigley Jr. Company

*New Head
Of Old Prestige Firm
Mead & Wheeler*



EMIL F. JARZ

This year, September, 1954, Emil F. Jarz was elected President and Treasurer of the Mead & Wheeler Company, for forty-six years outstanding in office furniture, equipment and supply. John A. Wheeler has become Board Chairman. The Company is further developing its tradition in the better class of office furniture for business firms big and small, particularly in the design and furnishings of complete offices including color selection, carpet, draperies, and accessories.

After almost fifty years of highly successful activity in the executive and general office field, the firm is now expanding into broader commercial and institutional areas including the interior design and furnishing of hotels, motels, schools, hospitals, and other installations. Several lines of factory equipment, shelving, lockers, tool cabinets, and seating are also being added. The new President has extensive experience in the hotel and contract operations throughout the country.

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to have been a part of the
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our 25 years of continu-
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parts of the country. Many, for lack of capital, were short-lived. Others more fortunate, grew, lengthened their routes, and by a series of consolidations and mergers evolved into the present giant bus systems that criss-cross the nation.

The goal of every long-line bus company was to have Chicago as a terminal point. "Regardless of where they were located, their sandwich signs and window posters always quoted a Chicago fare," recalls A. W. Brion, vice president of Northland Greyhound Lines, Inc., an operating subsidiary of the Greyhound Corporation. Brion started his career driving a bus between Minneapolis and Eau Claire, Wis., and was one of seven drivers sent to Chicago around 1926, by what was then known as the Motor Transit Company, to start a new line between Chicago and Davenport, Ia.

By 1927, more lines were operating out of Chicago. Yelloway Lines, which started in the West and whose yellow-painted buses were to be seen from coast-to-coast, quickly made Chicago the center of its system. Another transcontinental carrier was the Atlantic and Pacific Lines. The State Transit Company came in with a Chicago-St. Louis operation. Indian Trails joined the multifarious lines boarding and discharging passengers on Michigan avenue in front of the Congress Hotel with a Chicago-Detroit run. All, with the exception of Indian Trails, which operates out of Chicago as an independent, eventually were absorbed into the Greyhound System.

Operations Transferred

The Congress Hotel was used by the bus lines until 1929 when operations were transferred to 12th street (Roosevelt road) and Wabash avenue. That terminal was little more than a ticket office in 1929, but as other businesses moved out of the building, bus facilities were gradually expanded to include a waiting room.

Toward the close of the '20s, four lines which, with a fifth, were to form the nucleus of the National Trailways Bus System, came into Chicago. They were the Santa Fe Trailways and Burlington Trailways, operating from the West Coast, and the Safeway Trailways and Mar Trailways, between Chicago and



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is the beer for true gemütlichkeit

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that insists there is more enjoyment
in a fine glass of beer than
merely quenching a thirst...

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devoted to the Old World heritage
that regards the enjoyment of beer
as not just an incident but an occasion
... an occasion for congenial appreciation,
for happy *gemütlichkeit*. That's why millions
over the years have come to agree: "With Meister Bräu,
you always fill your glass with pleasure!"

Peter Hand Brewery Company, Chicago, Illinois

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New York. Together with Missouri Pacific Transportation Company, they joined to establish the National Trailways Bus System in February, 1935, with headquarters in Chicago. Trailways, an association of independent intercity bus companies, now numbers 50 members. Its headquarters were moved to Washington, D. C., last June.

In February, 1937, these lines moved their operations into the newly constructed Trailways consolidated bus terminal at 20 E. Randolph. The Randolph street terminal opened with 15 to 16 scheduled bus departures a day. Today, 300 buses arrive or depart daily. Semi-local services operated from the terminal have reached a total of 138 round-trip schedules a day, including 68 to south suburban towns and 70 to communities located north and northwest of Chicago.

Now 17 years old, the terminal is scheduled for radical improvement. Plans are now on the drawing board and in all probability the terminal will be enlarged to take care of growing traffic.

Besides low fares, principal factors



Old buses were "stretched-out" autos

Continental Trailways photo

in the tremendous growth of intercity bus transportation since the early '20s have been the construction and improvement of roads, improved methods of operation, frequency of service, and improvements in equipment and terminal facilities.

The diesel-powered, air-conditioned motor coach skimming along the nation's highways today is a far

cry from the make-shift gasoline engine buses of the early days. The first buses were of two types, one made by lengthening an ordinary automobile chassis to accommodate eight to 18 passengers and the other utilizing a truck chassis on which was mounted a body of crude design. The baggage compartment on the stretched-out Hupmobiles and

HELPING TO BUILD A GREATER CHICAGO SINCE 1873

PARTIAL LIST OF CONTRACTS COMPLETED BY JOHN GRIFFITHS AND SON CONSTRUCTION COMPANY

1921-1922	Federal Reserve Bank, Chicago, Ills.	\$ 8,200,000.00
1922-1923	Chicago Temple Bldg., Chicago, Ills.	
	Church and Office Building.....	2,000,000.00
1923-1926	Chicago Union Station, Chicago, Ills.	
	Railroad Depot and Office Building.....	8,000,000.00
1923-1926	North Side Sewage Treatment Plant, Sanitary District of Chicago—Sewage Treatment Plant.....	12,000,000.00
1924-1925	National Biscuit Co., Chicago, Ills., Factory Building	1,300,000.00
1925-1926	Upper Stories Standard Oil Bldg., Chicago, Ills.	2,050,000.00
1925-1926	Grant Park Stadium, Chicago, Ills.	3,800,000.00
1925-1926	Morrison Hotel, Chicago, Ills.	7,000,000.00
1926	Adams Franklin Bldg., Chicago, Ills. Office Building	2,000,000.00
1926-1927	Builders Building, Chicago, Ills., Office Building.....	4,800,000.00
1927-1928	Insurance Exchange Bldg., S. Chicago, Ills., Office Bldg.	6,500,000.00
1928-1929	Civic Opera Bldg., Chicago, Ills. Office Building and Theater.....	11,000,000.00
1929-1930	Merchandise Mart, Chicago, Ills., Mercantile Bldg.	17,000,000.00
1929-1930	One LaSalle Bldg., Chicago, Ills., Office Bldg.	4,850,000.00
1929-1934	United States Post Office, Chicago, Ill.	17,000,000.00
1936-1937	Commonwealth Edison Co., Chicago, Ills.	
	Flask St. Station, Power House.....	500,000.00
1940	Caissons — Marquette Bldg., Chicago, Ills.	115,000.00
1940-1941	Reception and Replacement Center.....	
1941-1942	U. S. Naval Training Station, Great Lakes, Ills.	9,000,000.00
1942-1954	Defense Plant for Tantalum Defense Corp., North Chicago, Ills.	8,500,000.00
1943	P.C.A. Hanger, Chicago Municipal Airport, Chicago, Ills.	5,000,000.00
1946	Chicago & Southern Airlines, Municipal Airport, Chicago, Ills.—Hangar.....	400,000.00
1947	Ticket Office—T.&S.F. R.Y., Chicago, Ills.	375,000.00
1947-1948	Dial Office Buildings, Illinois Bell Telephone Co., River Grove, Oak Park and Chicago, Ills.	100,000.00
1947-1948	Die Casting Plant, Aluminum Co. of America, Hillside, Ills.	3,000,000.00
1947	Goldblatt Bros., Chicago, Ills., Warehouse.....	1,250,000.00
		1,500,000.00

1947	Fair Store, Chicago, Ills., Escalators & Alterations..	850,000.00
1947-1948	Sears Roebuck & Co., Waukegan, Ills., Store and Warehouse	1,000,000.00
1950-1951	Abbott Laboratory, North Chicago, Ills., Laboratory Building	1,800,000.00
1952	Ontario Street Widening, Underpinning and Foundations	1,000,000.00
1953	Insurance Exchange Bldg., Chicago, Ills. Remodeling..	300,000.00
1952-1953	The Barrett Division, Allied Chemical & Dye Corp., Chicago, Ills., Phthalic Anhydride Plant.....	1,500,000.00
1951-1953	St. Peter's Church, Chicago, Illinois, Catholic Church and Rectory	2,500,000.00

The maximum volume of dollars per year of work performed occurred in 1930 at which time we executed contracts amounting to \$32,850,000.00.

WORK NOW IN PROGRESS

Name of Project	Type of Structure	Contract Amount	Type of Contract	Pct. Comp.
Units 1, 2, 3 & 4 Common-wealth Edison Company	Power Plant	\$25,000,000	Lump Sum and Fee	99
Ridgeland Station, Stickney, Illinois.				50
Chicago District Electric Generating Corp. State Line Station, Hammond, Indiana.	Salson Work & Substructure and Superstructure	1,500,000	Lump Sum	50
Chicago Park District, Chicago, Illinois	Underground Garage	6,500,000	Lump Sum	96
Deerpark School, Lake Forest, Illinois	Grant Park (North) High School Bldg.	750,000	Lump Sum	90
John Griffiths Bldg. Corp. 29-35 S. Wabash Ave. Chicago, Illinois	Remodeling	400,000	Fee	20
Insurance Exchange Bldg. Corp., 175 W. Jackson Blvd., Chicago, Ills.	Air Conditioning	850,000	Fee	60
LaSalle National Bank, 135 E. LaSalle Street Chicago, Illinois	A. C. Conversion Restaurant Instl. Alterations	120,000	Lump Sum	35
Albert Schvill & Co. 103rd and Ave. C Chicago, Illinois	Addition to Germination Bldg.	1,300,000	Lump Sum	Work Now Starting

JOHN GRIFFITHS and SON CONSTRUCTION COMPANY CHICAGO 1, ILLINOIS

Pierce-Arrows consisted of a tail gate attached to the rear and a canvas cover.

By the time intercity bus lines began to converge on Chicago, the more modern counterpart of the present motor coach was in evidence, carrying baggage on the roof, trapped down and covered with canvas. The first bus built with passenger comfort in mind was the Ageol. It had comfortable seats, baggage racks on the side, a center aisle, and a capacity of 29 passengers. The modern coach carries 37 passengers and such refinements as deep upholstery, reclining seats, leg rests, individual seat lights, ample leg room, and separate baggage accommodations. Air-suspension, which completely eliminates metal leaf springs and adds to riding comfort, is the latest improvement.

Scenicruiser

Currently being introduced on the Greyhound system is the Scenicruiser slated to set new standards of luxury in highway travel. Among new features are washroom facilities, individually controlled smoke vents above each seat, "picture" windows of glare resistant glass, and an elevated rear passenger deck seating 13 passengers plus a ten-passenger forward deck.

The engine-in-the-rear bus did not appear until around 1935-36 although models in which the engine was mounted in the rear or under the floor were developed as early as 1925. Air-conditioned buses were introduced in 1936, and two years later the diesel engine became standard equipment.

Changes have occurred in just about every aspect of intercity bus transportation except speed and fares. This seeming paradox in an era of high-powered motor vehicles and rising costs is not difficult to explain.

In the first place, bus speeds are regulated not by power built into the engine but by state laws governing highway speeds, and ordinances within towns and cities. In the second place, you don't travel by bus when you're in a hurry if there is a faster means of transportation available. Bus lines can't compete on the basis of speed, but they can and do com-

pete on the basis of price, frequency of service and convenience of arrival and departure points. Bus terminals almost without exception are located in downtown areas. Intercity buses also serve a great many more points than other carriers and the ratio is growing as railroads continue to abandon local services.

Statistically, the bus is the safest form of public transportation and the industry intends to keep it so. Intercity bus drivers are held to a top speed of 60 miles an hour. That's fast enough, the bus lines figure. To protect against any infraction of

their speed rules, bus lines several years ago installed automatic governors on their vehicles. Time schedules are being shaved, however, on long express runs as a result of the construction of toll roads, such as the Pennsylvania Turnpike, and by-pass express highways that skirt intermediate towns.

Twenty-five years ago the best bus cost less than \$10,000. The modern vehicle seen on the highways today costs upwards of \$35,000. Bus lines' labor, material, operating and maintenance costs, too, have soared tre-

(Continued on page 356)

1868

1954

THE WILLETT COMPANY

Eighty-Six Years of Leadership
in

CHICAGO TRANSPORTATION

Four wagons and four drays (two wheel carts), and several horses, acquired by A. T. Willett in 1868 from a wholesale grocery business that was being liquidated, were the foundation for The Willett Company.

The new company survived the great Chicago Fire of 1871, and its teams and wagons were kept busy in the rebuilding of the city and its subsequent rapid growth.

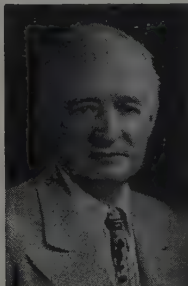
Progress of The Willett Company in its early days was marked by such events as the purchase in 1898 of a new hand-made wagon that could handle 9,000 pound loads as compared with the previous 6,000 pound limit, and a new team "big as brewery horses." Another major event was the purchase of the first ball bearing wagon wheels in 1910, and the introduction two years later of three-horse, ball bearing wagons handling ten to 12 tons, replacing four-horse equipment with seven ton capacity.

The potentialities of the motor truck were recognized early by the company, and in 1916 it became the first teaming organization to build a truck garage. By 1920 the company showed its leadership by offering delivery service with various sizes of motor and horse-drawn trucks, with load and delivery radius scientifically worked out for each.

Today Willett operates a fleet of 1,500 trucks, tractors, trailers and buses, out of 30 garages in the Chicago area, and employs 950 drivers, mechanics and office workers. In addition to chartering trucks and buses, the company leases trucks singly and in fleets, and rents them by the day. These units are of every conceivable size and type, to meet every requirement.

Willett handles pick-up and deliveries for such famous names in transportation as Acme Fast Freight, the Pennsylvania Railroad, U. S. Steel, Ryerson, Socony Vacuum Oil Co., and Air Cargo, Inc., the official contracting agency for all the scheduled air lines.

Willett and Chicago have grown and prospered together, and each has contributed to the other's progress.



Howard L. Willett, Sr.
President



Howard L. Willett, Jr.
Exec. Vice Pres.



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CHICAGO CITY BANK *and Trust Company*

Halsted at 63rd

MUTUAL NATIONAL BANK

Halsted at 79th

Midwest Stock Mart Marks New Era

'49 Merger Created Nation's Largest Regional Exchange

By

Daniel F. Nicholson

THE fact that the Midwest Stock Exchange and the predecessor Chicago Stock Exchange have had essential roles in financing the industrial and business development of Chicago is seldom mentioned when the factors in the city's growth are discussed. The reason, no doubt, is that the financing function of a stock exchange is indirect and therefore easily overlooked.

A stock exchange does not offer any bonds or stocks for sale, nor does it offer to buy them. What it does is to provide a market place where owners of certain securities can offer them for sale through a broker member of the exchange, and where anyone wishing to buy these securities can place his order for them through a broker member.

For the protection of investors, the exchange establishes strict rules governing its members and demands that corporations whose securities

are "listed" for trading must conform to certain regulations. Every transaction is carefully recorded, and the owner of a listed stock can determine its approximate current market value simply by looking at the stock market quotations in the daily newspapers.

It is inconceivable that the many Chicago area corporations that have grown to gigantic size could have obtained large amounts of additional investment capital from time to time without the benefit of a stock exchange listing of their securities. Few investors can afford to place substantial sums at the disposal of corporation managements without assurance that they can turn their

investment back into cash at any time. The assurance of such marketability is the primary contribution of the stock exchange to corporate financing. However, in addition to providing a broader market for existing shares, a listing helps to make the company better known in financial circles, with the result that it can obtain credit or issue either debt securities or additional stock on a more favorable basis than when it was not so well known.

Some of the largest and most successful business enterprises in the nation obtained their initial financial standing through listing on the Chicago Stock Exchange. Sears, Roebuck, for example, listed its stock



Trading floor of the Midwest Stock Exchange

Our company is happy to have been identified with the growth of Chicago and The Chicago Association of Commerce and Industry during the past 50 years.

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Founded 1902

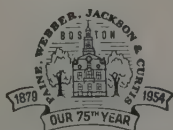
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in 1906, for the first time, on the local exchange. Others that listed first in Chicago, and then went on to listing on the New York Stock Exchange as well, include Commonwealth Edison, Armour, Peoples Gas, Abbott Laboratories, and among the newcomers to the ranks of big business, Admiral Corporation. The recently formed Northern Illinois Gas Company that has taken over the gas utility business of the Commonwealth Edison System in most of northern Illinois, lists its 6,000,000 shares solely on the Midwest Stock Exchange in November, 1954.

Remarkable Development

Since the time of its founding in 1882, the local exchange has undergone remarkable development. For many years it served only local investors and local companies. When the local companies prospered, they outgrew the Chicago exchange and moved on to a listing on the "Big Board," the New York Stock Exchange.

Companies still move on to the Big Board when they reach the stage where national distribution of the securities is desirable or is substantially realized, but in recent years there has been a counter movement to list the stocks of some of the largest corporations on the Midwest exchange. General Motors, Chrysler, United States Steel, Standard Oil of California, and many others, have listed their shares here. Thus they have recognized the importance of the investors in the middle west. Many of these corporations have gone even farther by appointing Chicago banks as transfer agents and registrars for their stocks, for the convenience of investors in this area.

About 200 stocks listed on the New York Stock Exchange are not either formally listed or are traded on the Midwest Stock exchange. Altogether, the shares of 440 American corporations can be bought or sold through members of the exchange.

The Midwest Stock Exchange came into existence on December 1, 1949, as a merger of the Chicago Stock Exchange and the stock exchanges of St. Louis, Cleveland, and Minneapolis-St. Paul. Branch offices of the new exchange are maintained in St. Louis and Cleveland to trans-



Ingredients of a revolution!

In 1926, The VISKING Corporation introduced cellulose sausage casings, made possible the SKINLESS frankfurter.

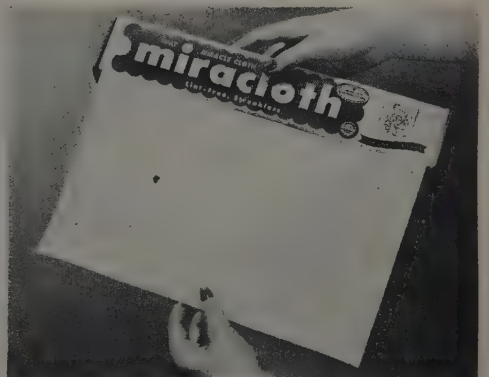
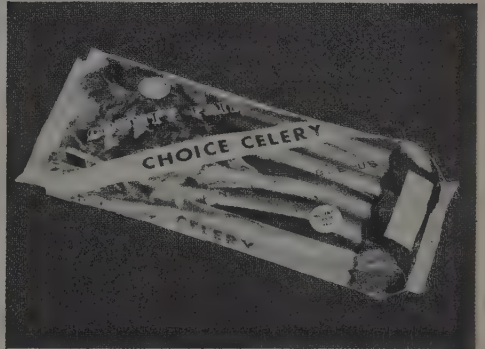
In February, 1945, under government contract, VISKING extruded the first polyethylene film.

Later in 1945, VISKING produced Viskon, a nonwoven fabric — cotton and rayon fibers chemically bonded.

These products brought about vast changes in the packaging and marketing of meats, produce, chemicals, textiles and other goods.

VISKING thus made substantial contributions to the marketing revolution that was sparked by Chicago industries.

Today VISKING's scope is world-wide, with plants in Canada, Britain, France, affiliates elsewhere, and technical sales representatives almost everywhere.



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mit orders direct to the trading floor in Chicago.

Securities that had been listed on the four predecessor exchanges were listed on the Midwest exchange, and it became a truly regional market. The broadened market that was created was reflected in the increase in volume of trading as compared with the total for the four predecessors combined. Moreover, trading on the Midwest market has made a somewhat better showing in the last five years than has trading on the country's two largest exchanges, the New York and American stock exchanges, both in New York city.

The Midwest Stock Exchange and the Chicago Stock Exchange before it have enjoyed a reputation for progressiveness. The Chicago exchange broke with the practice that admitted only individuals or partnerships as members when, in 1919, corporations were made eligible.

"Dual" Trading

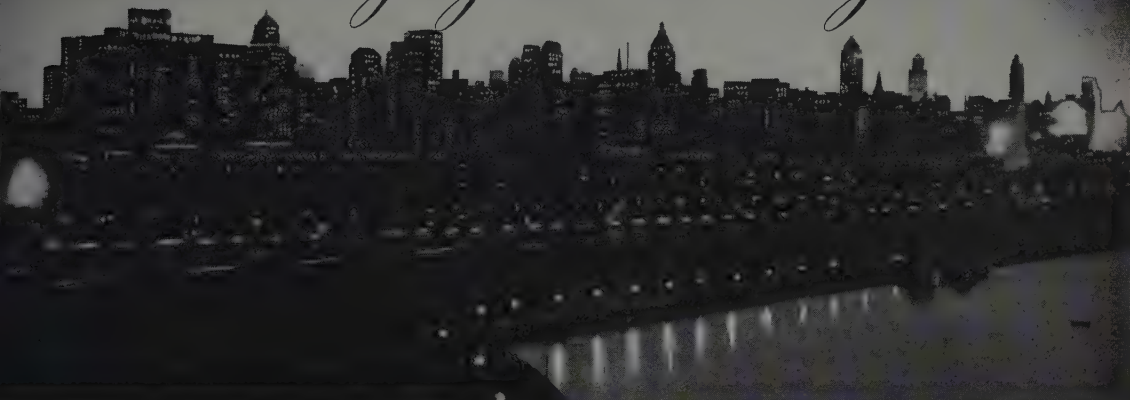
The introduction of so-called "dual" trading in 1937 made available for purchase or sale on the local market the stocks of certain companies listed only in New York. This offered a substantial advantage to sellers who previously were subject to the New York state tax on stock transactions.

The exchange has actively solicited listings by major corporations that have large numbers of stockholders in the middle west, and it also sought and obtained the appointment of local transfer agents and registrars to avoid the long delays in completing transactions with registration and transfer facilities were maintained only in New York City.

Another of the aggressive moves to attract business for members was the new communications system placed in operation on December 1, 1953. Messages can now be sent from a microphone on the trading floor to loudspeakers in the Chicago offices of 58 member firms. The system is used primarily to call attention to advantageous bids or offers. For example, if there is a more attractive bid or offer in Chicago than a given security than in New York, brokers are made aware of it immediately so that they can execute orders for the stock on the local market to the benefit of their clients.



*helping light the way
to today's greater Chicago*



797

... and pioneering new methods of illumination that will mean an even Brighter Chicago tomorrow!

It was in an era when few people even dreamed of the symphony of light that is Chicago's night skyline today, that the Benjamin Electric Manufacturing Company had its beginning on the West side of Chicago. This was 1901. 22 years after Edison first gave us the miracle of electric light.

1901... when just one out of 128 Chicagoans used electric light. The entire country had a total of only 6 million light bulbs in service.

This was the year Benjamin marketed its first lighting unit right here in Chicago. It was called the Wireless Cluster. Actually, it was the grandfather of modern electric lighting units. Here was the very beginning of the magnificence of today's "Chicago at night."

The Wireless Cluster made it possible, for the first time, to group a number of lamp bulbs into a single assembly at low wiring cost. It was the forerunner of a constant flow of new Benjamin developments. Advancements that made better illumination more economical for more people and helped light the way to today's Greater Chicago.

During the first ten years of this century, famous Chicago landmarks saw their first glimpse of electric light through the eyes of the Benjamin Wireless Cluster. Such buildings as the Corn Exchange Bank and the Old Post Office were lighted with fixtures built around this Benjamin-pioneered principle.

Then came the turbulent twenties. Chicago's industry—as industry all over the U.S.—saw the individual worker's personal welfare increase in recognition. Benjamin, at that time, spearheaded the development of specialized lighting equipment for the myriad industrial seeing tasks and applications. Benjamin engineers were among the first to recognize the need for higher lighting levels to cope with increasingly-difficult seeing tasks.

Since then, Benjamin has made constant progress, not only in the engineering of industrial lighting equipment, but also in the development of new lighting techniques for commerce and institutions.

In the days and years to come, as in the past, we shall constantly strive to help in lighting the way to an ever GREATER CHICAGO... and an ever BRIGHTER AMERICA!

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TRADE MARK
Lighting Equipment

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Chicago Office: 20 N. Wacker Drive—Other Offices in New York and San Francisco, Cal.

... makers of famous Benjamin and Leader Line lighting equipment and sound signals for industry, institutions and commerce.

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tomers as well as the local members on the other side of the transaction. The regular ticker tape records only transactions that have been completed.

The most important innovation of all, in recent years at least, was strictly a Chicago idea. It was the inauguration of the "clearing by mail" system that placed out-of-town members on an equal footing with members in Chicago. Previously the out-of-town member had to pay 4 per cent of the commission to a Chicago correspondent member on any transaction effected on the Chicago exchange. Clearing by mail eliminated the need for going through another broker. It was introduced several years before the merger that formed the Midwest Stock Exchange, and made the merger possible.

Sixty new firms have bought membership since the 1949 merger. Immediately prior to the merger the Chicago Stock Exchange had 17 member firms, and this was increased to 225 by the consolidation. The total in November, 1954, was 285, including 140 outside Chicago. The 285 member firms have approximately 1,400 offices in 350 cities in 45 states.

Orderly Trading

If someone who had last stood in the visitors' gallery in the late 1920s were to stop in today, he would probably notice that trading seemed more orderly and certainly less noisy than in the hectic bull market of a quarter century ago. The change reflects in part the enactment of the Securities Exchange Act of 1934 by the Congress of the United States placing many restrictions on stock market trading and empowering the Federal Reserve Board to establish the margins that must be put up if stocks are not bought outright. The minimum margin was 50 per cent in late 1954.

Also a factor in the change of tempo, however, is the rise of the investor to dominance. Lesson learned in the speculation that culminated in the stock market crash of October, 1929, have not been forgotten. Most of the transactions on the Midwest Stock Exchange today are for cash in full.

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on its Fiftieth Anniversary

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CHICAGO TITLE AND TRUST BUILDING

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Banking

(Continued from page 43)

bank's own experts will investigate a customer's internal operations and make recommendations for improved methods and systems. One Chicago bank mentions tailor made "flow of funds" plans as one of its services for corporations. Another bank based a recent advertisement on the fact that a customer sought the bank's opinion on the salability of a new automatic washing machine. The advertisement declared that the bank's commercial banking divisions are staffed with officers "who regularly get out in their fields to study new developments and new problems—all over the world."

Help in obtaining executive personnel—one of the perennial problems of business and industry—is another of the valuable services performed by the banker. Still another is the speedy collection of checks, thereby reducing the customer's working capital requirements.

Correspondent Banks

Correspondent banks clear their checks and place buying and selling orders for securities through the Chicago institutions, and call on them for all sorts of advice. The correspondent may feel that its layout could be improved, or that its personnel should have the advantage of a thorough training program. The Chicago bank will send experts to make a special survey, and will share with the other bank everything it has learned through study, observation and experimentation. Correspondent banks frequently send officers and employes to study first hand the methods and advanced practices of their Chicago correspondents. In one case two men studying credit practices stayed nearly a year.

A trained "disaster" crew from a Chicago bank may be a lifesaver for a correspondent that suffers a severe fire or other physical damage. Men with experience and training in what to do in an emergency get to the scene immediately and help put into motion a program that will enable the stricken bank to get back into business at once. Maybe it will be necessary to take over a vacant store, or a garage, and the emergency crew

CHICAGO BANKS AS OF JUNE 30, 1954

(000 omitted)

National Banks

	Loans & Discounts	Total Deposits	Cash Resources	Savings Deposits	U.S. Gov. Securities
American	\$ 91,540	\$ 293,766	\$ 88,023	\$ 25,841	\$ 99,21
Belmont	2,684	16,304	3,369	7,910	8,82
Central	13,465	70,611	20,142	20,376	19,04
Chicago National	40,010	100,221	25,075	15,093	37,60
Citizens	3,348	11,828	2,926	6,900	5,98
City National	99,711	379,563	109,136	29,096	180,2
Commercial	3,951	26,850	4,660	15,438	17,3
Continental	647,442	2,396,538	724,980	268,651	1,097,6
Cosmopolitan	9,293	36,894	6,991	15,606	18,9
District	5,603	16,306	4,396	5,446	4,9
Drexel National	2,638	28,742	4,822	18,001	19,0
Drovers	13,723	88,052	37,073	—	27,3
Exchange National	24,126	70,243	20,223	17,051	25,0
First National	1,202,649	2,515,363	613,269	473,288	795,0
Lake Shore	31,253	65,725	15,570	13,258	20,1
La Salle National	32,962	119,174	33,222	16,538	52,8
Lawndale	4,108	33,612	7,224	16,145	22,6
Liberty	19,776	58,545	11,787	27,069	24,7
Lincoln National	4,918	22,917	6,982	11,224	9,9
Live Stock	14,220	62,568	19,325	9,749	31,4
Manufacturers	6,285	41,504	6,497	22,456	23,3
Marine	5,495	11,875	3,806	2,349	2,9
Marquette	7,561	24,220	4,521	12,345	11,2
Mercantile	21,131	67,776	12,542	12,908	15,0
Merchandise	28,112	77,583	18,866	15,266	27,5
Merchants	15,463	52,609	12,194	19,160	27,3
Michigan Av.	9,618	25,942	6,885	8,461	9,3
Mid-City	12,879	54,862	10,903	16,783	26,9
Mutual	10,086	62,329	13,306	34,357	40,2
National Albany Park	2,133	6,063	1,476	3,218	2,2
National Austin	4,987	32,479	7,027	16,534	18,3
National Comm.	10,657	43,174	9,905	23,613	22,9
National Hyde Park	8,577	27,134	4,483	12,822	8,5
National Boulevard	21,553	69,390	18,021	10,719	25,5
National Security	22,081	57,386	8,866	32,359	24,8
North Shore	8,797	40,771	7,975	19,911	20,0
Northwest	18,740	65,370	11,950	29,373	28,3
Park National	2,727	8,496	2,090	3,694	2,9
Peoples	4,089	12,148	3,522	5,616	5,1
Skala National	640	13,374	2,369	10,525	10,8
South East	18,640	47,050	8,126	19,667	18,8
South Shore	11,272	37,986	6,649	20,228	16,4
Steel City	2,643	9,585	2,228	4,930	5,0
Union National	3,262	9,079	1,912	4,646	3,8
University	4,655	24,701	4,744	12,471	10,0
Upper Avenue	6,194	30,062	5,367	9,481	16,0
Uptown	10,772	56,279	7,872	29,393	28,3
	\$2,564,469	\$7,422,549	\$1,963,097	\$1,425,765	\$2,970,6

State Banks

Aetna	\$ 4,757	\$ 25,617	\$ 3,000	\$ 16,221	\$ 16,7
Amalgamated	13,647	35,265	6,714	10,687	9,6
Ashland	850	1,280	297	495	3
Bank of Chicago	5,742	23,083	2,657	5,909	4,9
Beverly State	3,874	24,608	3,731	12,653	16,8
Chatham Bank	8,519	20,924	2,067	10,534	9,9
Chicago City	16,765	112,690	22,232	60,636	75,6
Colonial	138	768	792	113	11
Devon-North Town	3,986	13,254	2,032	7,193	6,6
Drovers Trust	8,071	33,301	3,298	31,604	11,7
First Comm.	7,124	17,633	3,507	8,251	7,5
Harris Trust	249,675	665,484	188,368	64,454	202,0
Kaspar-American	1,205	7,294	1,864	3,563	4,7
Lake View Trust	37,093	145,103	17,257	100,065	93,7
Main	17,698	32,492	6,586	10,142	11,1
Metropolitan	734	15,524	3,117	7,862	11,9
Mt. Greenwood	1,290	4,165	876	2,412	2,1
Northern Trust	150,967	673,407	168,498	169,303	257,1
Pioneer Trust	13,695	130,340	22,662	83,363	88,2
Pullman Trust	19,447	57,896	7,012	32,260	32,3
Sears-Comm.	33,407	85,527	20,104	28,427	24,8
South Chicago	13,440	56,298	8,750	34,453	32,6
Southmoor	3,424	15,608	2,906	6,836	5,1
South Side	7,200	17,443	3,830	7,177	6,9
Standard	5,957	18,258	2,674	9,635	10,3
State Bank, Clearing	3,830	19,055	5,164	5,303	10,2
West Irving	1,517	7,518	1,602	3,760	2,9
	\$ 634,052	\$2,249,835	\$ 511,597	\$ 732,861	\$ 956,8
TOTAL	\$3,198,521	\$9,672,384	\$2,474,694	\$2,158,626	\$3,927,4

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will arrange for loans of equipment and people.

The big city banks help their correspondents on loans that are too big for the latter to handle alone, and sometimes lend money to the correspondents.

The presence of the Federal Reserve Bank of Chicago has been a real advantage to Chicago's commercial banks in terms of convenience and the efficiency with which they can conduct their own operations and serve their customers.

The Reserve bank, which celebrated its 40th anniversary in November, is exclusively a banker's bank, serving an area that includes all of Iowa and most of Illinois, Indiana, Michigan and Wisconsin.

When Chicago banks need additional currency they can get it immediately from the "Fed." If they need a loan for some reason, they can borrow at once on any sound asset; a loan can even be arranged over the telephone. Usually a bank will repay the Fed the next day. And the Fed is the medium through which inter-

city checks are cleared. Every day the reserve bank takes in 1.5 to 1.9 million checks, and it works around the clock in three eight-hour shifts except for a period from about 7 p.m. Saturday until 6:30 p.m. Sunday, in order to keep them moving. Before the Federal Reserve System was established it was not uncommon for two weeks to elapse before a bank could collect a check drawn on a bank in some other town. Today it gets credit from the Federal Reserve Bank in two days at the most, even on checks drawn on banks in Alaska.

Magnitude of Operations

The magnitude of operations in a big Chicago bank is staggering. The Continental Illinois, for example, has 3,000 employees, including a regular night shift of about 90 persons in its Central Proof department from 11 p.m. to 7 a.m. Actually there is someone working in the Central Proof department at every hour of the day except for a period from about 1

o'clock Saturday afternoon until 9 o'clock Sunday morning.

This is the department where every check that comes to the bank gets an initial processing that includes a recording of the amount and a sorting into one of 24 categories. The purpose of the around-the-clock operation is to speed the collection of checks and thus place the funds at the disposal of customers as soon as possible. The bank sends messengers to the Post Office every hour from 11 at night until 11 in the morning, and more frequently during the day, to pick up mail. Express deliveries are received throughout the night. It is not unusual for 300,000 to 350,000 checks to be received between 7:30 in the evening and 7 the following morning.

Like many other big business organizations, the Continental Illinois has its own staff of experts devoted exclusively to finding ways and means to improve internal operations. There are about 20 persons in this department.

The First National Bank had more



The Ivanhoe Restaurant, named after Sir Walter Scott's immortal story "Ivanhoe," founded in 1920, is reminiscent of a day long past when men loved, lived and played hard.

Strolling from room to room is like passing through the glorious enchantment of long ago. The Catacombs with its weird passages and haunting skeletons, Friar Tuck's Cellarage and the Dungeon Bar, the Black Knight's Inn, and Sherwood Forest are but a few of the attractions of this interesting Supper Club which makes an evening here adventurously different.

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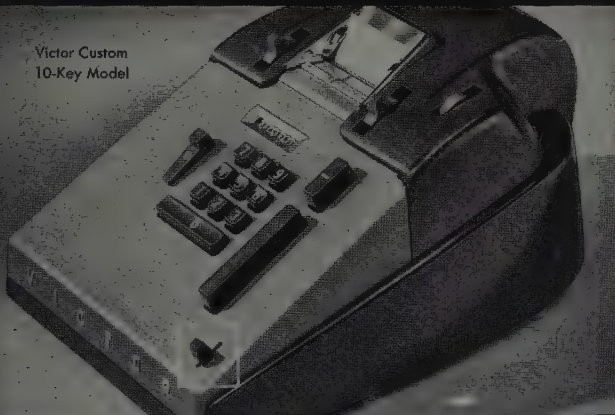
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Available in 10-key or full-keyboard models, Victor Super-Quiet Customs add, subtract, multiply, divide, *even* calculate. *And*, they automatically compute credit balance. See the new Victors, try them... with Victor's 42 basic models you can make the perfect choice for your own, individual figure-work.



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than \$1.2 billion in loans and discounts on June 30, 1954, or about 37 per cent of the total for all Chicago banks. The First has more than 45,000 checking accounts, and more than 340,000 savings accounts.

Operations on the scale indicated by figures such as these would be impossible without mechanization. Check sorters, for example, enable one clerk to handle the initial processing of 6,000 checks in a day. Currency counting machines have recently been brought to a stage of

perfection where widespread adoption is feasible. With the aid of one of these machines a receiving teller can sort and count 9,000 to 10,000 pieces of currency a day, against 5,000 to 6,000 pieces with manual counting.

Chicago had 74 banks at mid-year 1954. Fifty years ago the Chicago Daily News Almanac listed 64, including private banks and two branches of Canadian institutions.

The difference between 64 and 74 does not tell the story of 50 years of

banking in Chicago, however. In the early years of the century and up to the end of the 1920's, scores of new banks were organized and there were numerous mergers even among the largest banks. In 1924 there were exactly 200 banks in the city, 27 of them downtown or "loop" banks and 173 in outlying neighborhoods and at the end of 1929 there were 219.

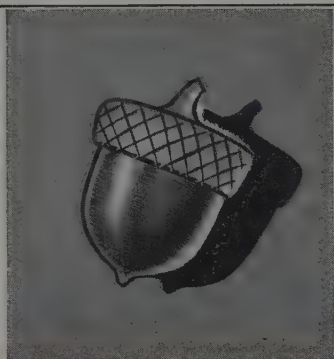
In the depression that came on the heels of the stock market crash of October, 1929, the nation's and the city's banks were put to the severest test in history. Many weak banks failed with resultant heavy losses to depositors, but many well managed banks also were forced to close because mass withdrawals of deposits made it necessary to liquidate assets and mass liquidation caused values to shrink to the point of almost complete disappearance.

No major downtown bank failed but several were merged with stronger institutions. The wave of closing was climaxed when the 1933 national bank "holiday" was declared, during which all banks were examined and only the strongest were allowed to resume business. Chicago had only 49 banks when 1933 ended, and they were attractive bank quarters for rent not only in the outlying section but on La Salle Street itself.

New Opportunities

New opportunities for banks came with the recovery of business, and several profited by filling the gap left in La Salle Street. The American National made its move to La Salle Street early, leaving Michigan Avenue in December, 1933. At that time its deposits totaled \$14 million. The La Salle National moved to the center of the financial district in November, 1940, the Chicago National in March, 1946, and the Exchange National in November, 1946. A number of new banks were chartered mostly in outlying neighborhoods.

The difference between downtown and outlying banks is more than a matter of location or size. The downtown banks are commercial and bankers' banks. That is, they lend to the big industries and big commercial businesses, not only in Chicago but anywhere in the country. And they act as correspondents for other banks. Ordinarily they make few mortgage loans and only on the



It's important to recognize growth possibilities early!

For 33 years the officers of National Boulevard Bank have firmly believed this—and have put their belief in practice. That's why our files are now full of case histories of leading Chicago firms that came up from shoestring beginnings with this Bank. If you need the help of bankers who realize that the success of a business depends as much on ability and character as it does on cash, we invite you to come in for a confidential talk.

National Boulevard Bank of Chicago

Wrigley Building—400 North Michigan Avenue

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



IT ALL STARTED WITH

Start STOP

No, "Start-Stop" isn't gobbledygook or the name of a new game. It's a method of transmitting printed characters—and is the basic invention on which modern telegraphy rests.

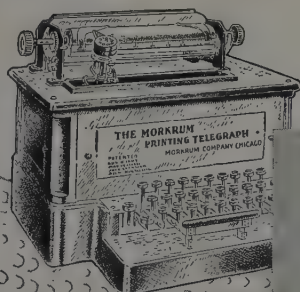
The inventor was Howard L. Krum, a young Chicagoan with a degree from Armour Institute whose father, Charles L. Krum, was experimenting with printing telegraphy. Financial backing for manufacture came from another Chicago source, the Morton family—and the company's original name, Morkrum, was a contraction of the names Morton and Krum.

All this took place during the first decade of the present century—which might be called the incubation and invention period in Teletype's history. By 1920 the new telegraph instrument based on "Start-Stop" was well developed and sales had been made to telegraph companies, railroads, press associations, and others; and by the end of the succeeding decade telegraphy by Teletype was established throughout the world.

The 1930's saw the introduction of switching methods, notably the establishment of TWX (Teletypewriter Exchange) which made Teletype service as easily available to business as the telephone. With the 40's came the war and the adoption of Teletype communications by the military on a vastly increased scale.

And now in the 1950's new frontiers for Teletype equipment are beckoning—in the handling of business records and a host of uses for controls from tape and keyboard.

Yes, the Chicago industry that started with "Start-Stop" has come a long way—and is still growing lustily. We look forward to the future with full confidence that it will be a good one, for the Teletype Corporation and for the great city in which it is located.



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1400 Wrightwood Avenue

Chicago 14, Illinois

Established 1917

CUSHMAN**MOTOR DELIVERY CO.**

General Offices

CHICAGO1480 W. Kinzie St.
HAYmarket 1-6613*Daily direct**service to —***MILWAUKEE****INDIANAPOLIS****DETROIT****DAYTON****CINCINNATI****Barney Cushman, President**

own conservative terms. They are not geared to the requirements of the small checking account or the personal borrower, notwithstanding the fact that most of them welcome small savings accounts. This generalization holds true at the moment even though some of the newcomers to the loop are doing a big business in personal loans and are making fine profits on small checking accounts on which there is a service charge for each check. And it holds true despite the fact that the First National two years ago established a special department to make personal or consumer loans. Indirectly the First had financed consumers for nearly 40 years, since it was a pioneer in lending money to personal loan and installment finance companies.

All the big banks are interested in doing business with the small businessman, however. They can cite instances of enterprises that started out a few years ago with an idea and practically no capital, but are now valued customers with million dollar balances because the bank helped out with sound guidance and a loan.

The banks have their salesmen, officially designated as field men, out looking for little ones they can help build up into big ones.

Outlying banks have prospered by serving the neighborhoods in which they are located. They lend to the neighborhood store operator, and they make money from service charges. Thousands of mortgage loans with F.H.A. or Veterans Administration guaranties have been made by the outlying banks and sold to insurance companies, pension funds and other institutional investors. Often the banks continue to service the mortgages for the new owners, for a fee.

Share New Ideas

All of Chicago's banks, downtown or otherwise, are ruggedly individualistic and competitive even though they are most cooperative in sharing new ideas for improvement in methods and operations. Each tries to outdo its competitors in good service and more advantageous credit programs; their advertising has become aggressive, with attractive art work and well written copy; and their field men and officers are as busy on new business as the salesmen of any well-run enterprise.

The wide divergence in banking hours is a good example of the individuality that prevails. There's such a complete lack of uniformity that

INTERBANK DEMAND DEPOSITS—Domestic Banks

Central Reserve City Member Banks in
(000 omitted)

Year End	Chicago	New York	Total	% Chicago	% N.Y.
1933	\$ 270,000	\$1,200,000	\$1,470,000	.184	.31
1943	971,649	2,866,938	3,838,587	.253	.37
1953	1,339,027	3,362,681	4,701,708	.285	.37
1954 - June 30	1,288,000	3,231,000	4,519,000	.285	.37

LOANS—Total (Net)

1933	\$ 604,000	\$3,453,000	\$4,057,000	.149	.38
1943	1,004,200	4,428,453	5,432,673	.185	.38
1953	2,775,995	12,289,275	15,065,270	.184	.38
1954 - June 30	2,588,000	11,619,000	14,207,000	.182	.38

CAPITAL ACCOUNTS

1933	\$ 203,000	\$1,630,000	\$1,833,000	.11	.38
1943	325,607	1,861,785	2,187,392	.149	.38
1953	566,141	2,571,833	3,137,974	.180	.38
1954 - June 30	582,000	2,638,000	3,220,000	.187	.38

BANK CLEARINGS

1933	\$ 9,611,744	\$157,413,994	\$167,025,738	.058	.39
1943	23,622,041	248,559,786	272,181,827	.087	.39
1953	47,999,804	470,289,300	518,289,104	.093	.39
1954 - June 30	23,729,737	264,626,423	288,356,160	.082	.39

Note: In Chicago, all 11 banks located downtown south and east of the Chicago River regardless of their size, are central reserve city banks. Two others, the Drovers National and the Live Stock National, both of which do a substantial correspondent banking business, are also included in this category. In New York City, 22 banks are classified "central reserve city" banks.

We recall that Chicago men had mustaches
in the 1880's...



The ornate "mustache cup" helped Chicago fathers to drink their mealtime beverages in comfort. In many a home the beverage was coffee with plenty of rich, sweet Bowman Cream. And youngsters of that day considered it a special favor to be allowed to drink their Bowman Milk from "Father's" cup.

BACK IN THE 1880's when "cookie dusters" were the vogue, Bowman began delivering milk here in Chicago. It was milk so good that Bowman added fast to the number of its customers and its routes.

Bowman Milk today, as then, is the Milk of Superior Flavor.

It comes from selected herds, is rushed to the city in stainless steel

tank trucks, and is pasteurized in the most modern plants. At every step it gets the extra care that means finer flavor. Hundreds of stores throughout Chicagoland sell Bowman Milk in cartons; it is delivered to homes in sparkling bottles.

Whether or not you wear a mustache, try Bowman Milk and see how fine it is.

Yours sincerely, *Bud Bowman*



» BOWMAN DAIRY COMPANY

TV Fun for the Family! Hank McCune, Sundays at 3:30, WBKB-7

QUALITY AND SERVICE HAVE MADE BOWMAN CHICAGOLAND'S LEADING DAIRY

the only safe generalization is that they all observe the Sunday holiday.

The American National is open from 9 to 2 Monday through Thursday and until 6 on Friday, while the Chicago National two blocks away is open from 9 to 3 through Thursday and until 6 on Friday, but keeps all loan departments except commercial, open until 5 on Monday through Thursday and until 6 on Friday. The Harris Trust has an unvaried schedule of 9 to 2, but the Northern Trust keeps its savings department and safe deposit vaults open on Monday until 6.

Outlying Banks

Among the outlying banks the disparities are even more pronounced. Some take Wednesday off, or at least Wednesday afternoon. Some are open all day Saturday, others a half day, and still others take the whole day off. Many stay open Thursday evenings, others Friday evenings, still others Monday, and some are open two evenings a

week for the convenience of their customers. The outlying banks are cutting down on holiday observances. Many are down to the six major legal holidays instead of eleven formerly observed.

Fifty years have brought many changes in banking, and certainly most of them have been for the better. Tom Nugent, officially retired as a vice president of the First National but still on the job as a special representative, started with the bank in 1901. There was one woman employee then, a telegraph operator. It wasn't until the manpower shortage during World War I that women were employed in large numbers. Clearing house balances were settled with gold coins, and the only mechanical office equipment in use, other than typewriters, consisted of a few adding machines.

Frank C. Rathje, president since 1917 of the Chicago City Bank and Trust Company, one of the largest of the outlying banks, and former president of the American Bankers Association, is another whose actual

banking experience goes back more than 50 years. He remembers interest rates of seven per cent, because money was scarce. Mortgage loans were made on the basis of 50 per cent of the value, for a term of five years with no prepayments of principal. Regular hours for outlying banks were 9 to 4, plus two evenings a week. Some banks kept a back door open so that depositors could come in before or after banking hours. One banker would open up on Sunday morning for a depositor.

Striking Change

The most striking change in a half century to Rathje is the enormous holdings of government bonds in banks today. Fifty years ago it was exceptional for a bank to own U. S. government securities, except perhaps a national bank that was required to hold them as a reserve against its own issues of national bank note currency. Last June 30 there were 74 banks in Chicago held \$3.9 billion of U. S. government securities. Most of these holdings were acquired during World War II when the banks provided much of the credit used to finance the war.

Character used to be and still is the most important of the four "C's" of credit (the others are collateral, capital and capacity), but today there is more emphasis on capacity than there was 50 years ago. The banker looks beyond the borrower's good reputation and good intentions to see how well he is managing his business. The financial statement is important, and the banks are responsible for the widespread practice of having financial statements certified by qualified auditors.

Today the banker knows more about the borrower, and more about general business conditions, than he did 50 years ago. He also keeps tighter control of the bank's own affairs and sees to it that there is a continuing flow of maturities of loans and investments for reinvestment.

Industries have disappeared in the last half century, and new ones have risen and prospered. Banking is one of the few that have kept pace with the economy as a whole.

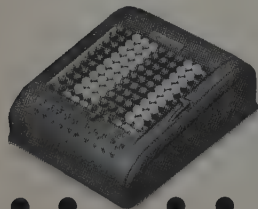
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As a part of "The Chicago Story" for nearly 70 years, Felt & Tarrant Manufacturing Company congratulates the Chicago Association of Commerce upon the happy occasion of its golden anniversary.

We are proud of our long membership in this association which has played such a prominent role in the industrial, commercial and cultural progress of Chicago.

Looking backward, we have stirring memories. Here, in Chicago, we built the world's first practical adding-calculating machine. We have been making Comptometers since 1886. We're glad to be known as an old Chicago concern.

Looking forward, we have exciting new plans for the future. We are expanding our facilities to bring our customers new and better products . . . to keep pace with the forward march of Chicago and the nation.



COMPTOMETER ADDING-CALCULATING MACHINES are made by Felt & Tarrant Manufacturing Co., and sold exclusively by its Comptometer Division, 1735 N. Paulina Street, Chicago 22, Illinois. Offices in all principal cities.

See Chicago at Top As Investment Banker

Center of Capital Financing Shifting to Middle West

By Daniel F. Nicholson

THE money that financed the railroads, utilities and industrial plants of the United States up about the beginning of the twentieth century came, to a considerable extent, from Europe. The flow of funds from Europe to the United States continued until the outbreak of the first world war. As the principal port of entry for funds as well as people and goods, New York City became the investment banking center of the country.

While New York is still the largest investment banking center, Chicago has been moving up rapidly and, in the opinion of some investment bankers who have watched the evolution of their industry carefully, may some day reach the top position. In the past decade there has been a very substantial increase in the amount of investment funds available in the Chicago area because of the growth of middle western insurance companies, banks, pension funds and profit sharing funds. The prosperous and growing middle west is supplying more and more of the capital needed by the nation's industries and municipalities, and they in turn account for more and more of the total demand for capital. Investors and borrowers have a natural preference for doing business with investment bankers from their own area.

Investment banking is highly developed in Chicago. Many Chicago firms rank high among the country's largest in terms of the volume of financing handled. The city's ten largest, in terms of capital, are Halsey, Stuart & Co., Inc.; A. C. Tully and Company, Inc.; Glore,

Forgan & Co.; A. G. Becker & Co. Incorporated; Central Republic Company; John Nuveen & Co.; William Blair & Company; H. M. Byllesby and Company; Bacon, Whipple & Co.; and Farwell, Chapman & Co.

Frequently Halsey, Stuart & Co. leads all other investment banking firms in the country in the annual volume of securities underwritten. In the nine years 1945 to 1953 the company, acting alone or as manager or a co-manager of a group of underwriters, purchased 482 corporate debt issues totaling more than \$7 billion principal amount, and 1,186 municipal issues totaling more than \$3.3 billion. In addition the company participated in underwriting 84 corporate and 97 municipal bond issues, managed by others.

Record Offering

Glore, Forgan and Halsey, Stuart will jointly head an underwriting group that will offer before the end of 1954 the largest bond issue ever marketed, other than federal government securities. The bonds, to finance Illinois toll roads, will aggregate some \$500 to \$580 million.

Many other Chicago firms also provide complete investment banking service to borrowers and investors, and most of the large investment banking houses, with headquarters in other cities maintain branches here.

Few industries have undergone changes as extensive as those in investment banking in the last half century, and especially in the last 25 years. The United States became



LaSalle Street, heart of Chicago's financial district, as it looked around 1900, with original Board of Trade Building at end of the street.

a nation of investors in securities after the Liberty Loan campaigns of World War I introduced millions to the attractive returns on bonds. During the 1920's the demand for capital was so great that investors obtained yields of 5½ to 8 per cent on high grade securities. This was the era, too, of excessive stock speculation that ended with the stock market crash of October, 1929.

A major share of the investment banking business done in Chicago during the 1920's was handled by the commercial banks directly or through affiliated "bond houses." Legislation enacted early in the succeeding decade forced the banks to give up their bond business except that involving U. S. government bonds and so-called municipal bonds. Some of the affiliates and investment banking divisions became independent companies, among them The Illinois Company, from the Continental-Illinois National Bank and Trust Company; Harris, Hall & Company, Incorporated, from the Harris Trust and Savings Bank; and the Central Republic Company, from the Central Republic Bank and Trust Company.

The most striking change in the investment banking business in the last quarter century is the huge volume that must be done in order for the banker to make a profit. Com-

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105 West Adams Street

Chicago 3, Illinois

petition for new bond issues, and the large amount of available investment capital, has reduced yields of high grade bonds to around three per cent and has cut the investment banker's margin of profit to such a small figure that he can no longer afford to seek out the smaller investor. "In the 'twenties," said the banker, "we once refused to sell an insurance company a half-million dollars worth of a new issue because we wanted to provide for our many smaller customers. Today it is difficult for the small investor to obtain a \$1,000 bond of a new issue. Sometimes as much as 70 per cent of a \$2 million issue will be sold in bonds with a denomination of a million dollars each." One investment banking house has suggested that individual investors of moderate wealth and even investors of considerable means who are not close to a financial center, take the initiative in seeking bond investments, either by personal calls at the investment banking firm's offices or by mail.

Institutional Buyers

Most individual investors have been willing to step aside for the big institutional buyers of securities—the banks, insurance companies, pension funds, trust companies, and others. The combination of low yields and high personal income tax rates have caused many individuals to turn to stocks for higher returns. Stocks have had the additional attraction of price appreciation to offset the declining purchasing power of the dollar.

Another striking development in investment banking has been the tremendous volume of municipal securities issued in recent years. These are the obligations of state cities, towns, and various other political subdivisions such as park districts, school districts, county transit authorities, and more recently, toll road authorities.

The income from municipal securities is exempt from federal income tax, and their popularity has soared with the steep rise in income taxes on corporations and individuals. This in turn has encouraged borrowing on an unprecedented scale for schools, roads, public housing, and all manner of public works. In 1953 an all-time record was set with \$5.5 billion of municipal bonds.

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sold, not including \$1.5 billion of revenue bonds. The total for 1954 will be much higher.

Chicago is a big factor in the municipal securities field, especially because the city's commercial banks are active in buying and selling new issues. The four largest banks, the First National, the Continental-Illinois, the Northern Trust Company, and the Harris Trust and Savings, bid for new issues in all parts of the country and often head nationwide syndicates. John Nuveen

& Co., one of the largest underwriters and distributors of municipals, is also the nation's oldest firm dealing exclusively in these securities.

Most investment banking houses are now offering a type of security intended primarily for the smaller investor. This is the stock of the investment company or mutual fund that pools the savings of many persons and invests them in a diversified list of securities, including bonds in many instances.

Occasionally a name long familiar

in Chicago investment banking appears through sale to or merger with a firm whose headquarters are in New York or some other city. Any inference that this indicates Chicago is slipping is disputed by investment bankers. For example, the sale of Harris, Hall & Co. to the West Coast firm of Dean Witter Co., in 1953 brought a strong active new company to Chicago and was indicative of the importance of the Chicago market to that company, it is contended. Similarly, the consolidation of the Paul H. Davis & Co., an outstanding underwriter of middle western companies, with Hornblower & Weeks whose central office is in New York, has worked to the advantage of both, as indicated by the fact that the Chicago office does a larger volume of business than any other in the Hornblower and Weeks organization.

While mergers, sales and even dissolutions may remove a well-known name from time to time, new names also grow to prominence. An example is A. C. Allyn and Company, whose rise has been exceptionally rapid.

Replacing Capital

Nevertheless, a new problem not yet solved by investment banking houses is the difficulty of replacing the capital of partners or major stockholders who retire or die. In the past, younger men who had done well with the organization were in a position to buy such holdings, but today's high income tax rates make it difficult to accumulate substantial savings from salaries and commissions. This situation has been an admitted factor in causing some firms to merge or sell, as a temporary solution of the problem.

The brokerage business — the buying and selling of stocks and commodities on orders from customers — is not a part of investment banking, but most investment banking houses engage in the brokerage business to a greater or lesser degree and maintain memberships on principal stock and commodity exchanges. The brokerage business has changed too. In the 1920's 90 per cent of the brokerage business in stocks was on "margin," while today more than 90 per cent of all trades are for cash.

THREE DECADES OF SERVICE TO INVESTORS

THE years from 1923, when this firm was organized as a grain and commodity house, until today when it offers every security, grain and commodity service in its quarters in the Board of Trade Building, parallel one of the most important eras of growth in this country. The progress of Chicago is one of America's outstanding achievements of the past half century; and during most of that period our firm has made a contribution to that record.

Old Board of Trade Building, important landmark in early history of Chicago



Present Board of Trade Building where Daniel F. Rice and Company offices are on the third floor



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TO the vast majority of persons, marketability is an indispensable quality in any investment. The thrifty individual whose savings help provide the capital needed for industry must have assurance that in case of emergency, or for any other reason, he can sell his investment promptly and without undue expense.

Since 1882 the Midwest Stock Exchange (formerly the Chicago Stock Exchange) has served the financial needs of Chicago and the Middle West by providing an organized market place for the purchase and sale of securities through its members.

The Midwest Stock Exchange is now the largest regional Stock Exchange in the country. Securities of 400 corporations can be purchased or sold through member firms with offices in 388 cities of 45 states.

The Midwest Stock Exchange

120 S. La Salle St., Chicago 3, Illinois



GROWING WITH CHICAGO...

The business of Harris, Upham & Co., established in 1895, has been identified with the growth and development of the city of Chicago in many ways.

We were one of the first investment firms to operate a direct private wire between Chicago and New York. Today we maintain offices in more than 30 leading cities, memberships in all major exchanges, and a coast-to-coast private wire system which enables our clients to deal in all domestic and foreign securities and all commodities.

Over the years our story, like that of Chicago, has been one of progress...in the best American Tradition.

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*Members New York Stock Exchange, Midwest Stock Exchange,
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135 SOUTH LA SALLE STREET

CHICAGO 3, ILLINOIS

STOCKS • BONDS • COMMODITIES • MUTUAL FUNDS

Insurance Leadership Was Born In Great Fire Of 1871

WHEN Mrs. O'Leary's cow kicked over a lantern and started the great fire that nearly obliterated Chicago in October, 1871, it made Chicago an insurance-minded city. Chicago became a leader, and still is, in many aspects of insurance, and particularly in the prevention of disasters and accidents.

Fire Prevention Week, nationally observed every October and the unquestioned saver of countless lives and vast wealth, originated in Chicago. The Chicago Association of Commerce and Industry, in fact, was the original sponsor.

Appropriately, the Chicago Association of Commerce and Industry

has repeatedly won top honors among big cities in the annual awards made by the Chamber of Commerce of the United States and the National Fire Prevention Association for fire prevention activities.

Chicago was the pioneer in education for fire prevention. For many years the Illinois Institute of Technology has presented a curriculum leading to an engineering degree in fire prevention.

The famous Underwriters Laboratories, Inc., another Chicago institution, was established by insurance companies to test products of all kinds to determine their safety, or their resistance to fire or burglars or other hazards.

Chicago's Fire Department widely famous for efficiency, effectiveness and economy.

Preservation of lives and limbs has received full attention too. Chicago is headquarters of the National Safety Council, whose efforts to cut the highway accident toll have most obscured the fact that its activities reach to farm, factory, and fireside, throughout the country.

At nearby Northwestern University, police traffic officers are given nine months' courses designed to help them reduce the automobile traffic toll. The Chicago Citizen Traffic Bureau, one of the newest agencies set up to cut the automobile death and accident toll, was able to report for the first half of 1954 a reduction of 22 in the number of pedestrian deaths in the city as compared with the corresponding period of 1953.

In Chicago one can readily obtain insurance of any kind or amount on an insurable interest here or any

Chicago's Oldest Legal Reserve Insurance Company

Chartered in 1899, Federal Life offers a complete

Line of Life and Accident & Health policies.

Sold and serviced by local agents,

Federal's bedrock stability and personal service

Guarantees your security.

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Insurance Since 1858

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★ For its part in bringing Chicago to its place of eminence and world leadership as a center of trade, manufacture, research and education;

... we compliment the Chicago Association of Commerce and Industry and its staff upon the completion of fifty years of skillful coordination of Chicago business toward that end.

the Officers and Directors of
FRED. S. JAMES & CO.

CHARTER MEMBER CACI

where—whether a truck plying the city's streets or a whaler in the Antarctic sea. There are some 5,000 insurance agencies and companies in the city, and it takes 16 pages of the classified telephone directory to list them.

Headquarters of a number of big insurance companies are here, along with regional offices that in size and scope are in themselves the equivalent of very large companies. Typical of such regional offices are those of Aetna, American Fore

group, Fireman's Fund, Hartford, Traveler's, and Springfield. Prudential Insurance Company of America, in anticipation of the opening of its 41-story skyscraper on the lakefront about mid-1956, has already established a Mid-America Home Office in Chicago. It will be almost completely autonomous.

Insurance is a billion dollar business in Chicago, and it gives employment to at least 100,000. The greatest concentration of insurance

activities in the world is found in the Insurance Exchange Building, Chicago's largest office building where some 12,000 persons are employed, nearly all of them in the insurance business. The Insurance Exchange Building's address, 111 W. Jackson boulevard, is one of the most widely known in the world because of the far-flung activities of the building's tenants.

Among the insurance companies headquartered in Chicago are American State, a Sears Roebuck affiliate, with net annual premiums of \$156 million; Continental Casualty, with \$140 million annual net premium and its life insurance affiliate, Continental Assurance; Lumbermen's Mutual Casualty Company, \$12 million; Inter-Insurance Exchange of the Chicago Motor Club, \$8 million; Protection Mutual, \$7 million; Millers National, organized in 1865 and among the oldest Chicago companies, \$6 million; and Canner Exchange, \$3 million.

The names of big Chicago brokerage offices, most of them nationally known, include Alexander & Alexander, W. A. Alexander, Fred S. James, Johnson & Higgins, Marshall McLennan; Moore, Case, Lyman Hubbard; and Rollins Burdick Hunter.

Brokers specializing in the representation of Lloyd's of London write \$12 million of premiums annually in the Chicago area. Transactions involving very large and very unusual risks are completed daily by cable, as they were even throughout the Battle of Britain.

Marine Insurance

The volume of marine insurance sold in Chicago might amaze some one unfamiliar with the history of the city as a port. Marine insurance has been important here since the schooners sailed the Great Lakes and it received an important boost when the Lakes-to-Gulf waterway brought barge traffic here.

Among the criteria of Chicago leadership in insurance is the long list of important insurance associations and specialty underwriting groups located here. Among these are: American Foreign Insurance Association, American Life Convention, Building Owners Federation of Mutual Fire Insurance Companies, American Mutual Alliance

K&B • K&B • K&B • K&B • K&B • K&B

A CENTURY AND MORE OF PROGRESS

1844

In the hustling little town of Chicago, Alexander C. McClurg starts the bookstore that later is to become Brentano's of Chicago.

1907

A. Kroch—bookseller, opens the shop that earned him the title of "The Marco Polo of Monroe Street," in recognition of the veritable treasures of new and old books to be found there.

1933

Kroch's assumes ownership of Brentano's of Chicago. Kroch's and Brentano's continue under their separate names.

1954

Kroch's groups all of its stores — four in number — under one banner . . .

Kroch's & Brentano's

THE WORLD'S LARGEST BOOKSTORE
29 South Wabash Avenue

Branch Stores:
17 North La Salle St. • 1723 Sherman Ave., Evanston

Kroch's & Brentano's
PARTY AND GIFT CENTER
62 East Randolph Street

K&B • K&B • K&B • K&B • K&B • K&B



Symbolic of the growth and vigor of Chicago and the Kemper Companies is the forty-four story Kemper Insurance Building at 20 North Wacker Drive, Chicago.

Growing with Chicago since 1912

Kemper Insurance had its beginning about the same time as "Chicago Commerce," for it was in February, 1905, that young James S. Kemper entered the insurance business with the Central Mutual in his home town of Van Wert, Ohio.

In 1911 the Central as one of the Associated Lumber Mutuals sent James S. Kemper to Chicago, a world lumber center. Mr. Kemper recommended that an agency be established in Chicago, and Lumbermens and Manufacturers Mutuals, Inc. was formed under Mr. Kemper's management.

First of Kemper Companies formed in 1912

In the following year, the passing of the Illinois Workmen's Compensation Act brought compensation insurance rates to as much as four times the old rates for

employer's liability. Mr. Kemper believed that complete protection could be provided at substantially lower net cost to lumber companies fully cooperating in accident prevention.

A group of prominent lumber and woodworking firms asked him to form a mutual insurance company to provide this protection for them. The new company was called Lumbermens Mutual Casualty Company and its General Manager was James S. Kemper. Assets were approximately twenty-nine thousand dollars.

As Chicago grew in size and importance, Lumbermens grew with it. In the ensuing years, Kemper Insurance came to include several other nationwide companies, such as American Motorists Insurance Company and American Manufacturers Mutual Insurance Company, important in the casualty and fire insurance fields.

Today, the assets of the Kemper Companies exceed two hundred and fifty million dollars. Its policyholders number hundreds of thousands, and its agents and branch offices are located throughout the United States and Canada.



James S. Kemper, United States Ambassador to Brazil since 1953. Among his many activities have been long service to the Chicago Association of Commerce and Industry, and presidency in 1940-41 of the Chamber of Commerce of the United States.

Kemper Insurance Chicago

Farm Underwriters Association, Federation of Mutual Fire Insurance Companies, Food Industries Federation of Mutual Fire Insurance Companies, Crop-Hail Insurance Actuarial Association, Health and Accident Underwriters Conference, Mill Mutual Association, National Association of Automotive Mutual Insurance Companies, National Association of Independent Insurers, National Association of Mutual Casualty Companies, Oil Insurance Association, Railway Underwriters, Transportation Insurance Rating Bureau, Underwriters Grain Association, United States Aircraft Insurance Group, Western Actuarial Bureau, Western Sprinkler Leakage Conference, and the Western Underwriters Association.

The associations are important to the insurance industry. For example, the Western Underwriters Association was founded 75 years ago, to bring about some stability and uniformity of practice with respect to such things as rates, policies and forms. It is the oldest trade association of stock fire insurance companies in the country, serves 18 mid-

dle western states, and has a membership of 170 companies. The Western Underwriters Association was one of the founders of the Underwriters Laboratories.

Insurance companies are by all odds the largest investors in the United States, and they are recognized as being astute and completely informed in determining investment policy. It is significant, therefore, that insurance companies have invested enormous sums in Chicago—in housing projects, downtown real estate, outlying shopping centers, corporate obligations, and in the mortgages of thousands of home owners. The most spectacular recent example of confidence in Chicago's future is Prudential's decision to build the first new skyscraper office building in Chicago since 1934.

Because of their importance as investors in corporate and municipal securities, the growth of the Chicago and middle western insurance companies of all types has been a factor in the city's big gains as a financial center.

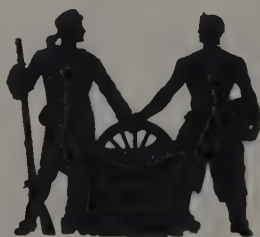
The Great Chicago Fire cost 201 insurance companies more than \$50

million and caused the liquidation of 68 of them. A second disastrous fire occurred in 1874 in a frame built section on the south side that had escaped the 1871 fire. This cost insurance companies another \$2 million. The insurance companies had had enough. The National Board of Underwriters called upon them to withdraw from Chicago.

A contemporary insurance publication made the following comment: "Azrael (Persian angel of death) came to some of our insurance companies and carried away the ignorant, as well as the fruits of low rates and bad management. To a few the Chicago Fire was a godsend. It enabled them to fold the drapery of death around them and die with honor. Low rates, bad practices, and imbecility had been doing their slow but sure work, and failure sooner or later was inevitable."

Today Illinois has an insurance code that is considered a model one so that Chicago is served by splendid domestic companies, and the best companies nationwide. They vie for business in the city because it has become one of the safest in which to assume risks.

"CREDIT . . .



. . . Man's Confidence in Man"

For more than a century Dun & Bradstreet's impartial credit reporting has encouraged the man with something to sell, to have confidence in the man who wants to buy it.

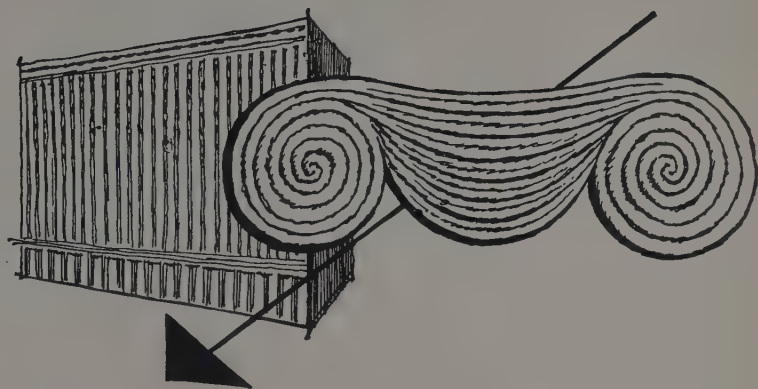
And for just one hundred years—since 1854—Dun & Bradstreet has maintained an office in Chicago to assist Chicago merchants and manufacturers in distributing their wares in all markets on credit terms based on the current knowledge of the risk.

DUN & BRADSTREET, INC.

Charter Member
THE CHICAGO ASSOCIATION
OF COMMERCE AND INDUSTRY

Chicago 90, Illinois
New York 8, New York

139 OFFICES IN PRINCIPAL CITIES IN THE UNITED STATES



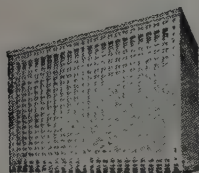
Greetings and congratulations

to the

**Chicago Association of
Commerce and Industry**

from the owners and management
of Chicago's Largest Office Building

INSURANCE EXCHANGE BUILDING



Charles F. Murphy, President

L. J. SHERIDAN & CO.

Management Agent

175 WEST JACKSON BOULEVARD, CHICAGO 4

Telephone WAbash 2-0756

SAVINGS & LOAN ASSETS SOAR

AMONG the fastest growing financial institutions in the Chicago area are the savings and loan associations. The assets of these associations have increased to approximately 16 times what they were in 1939; their holdings of members' savings have increased 17 times, and their mortgage loans are 15 times larger than in 1939.

The 179 insured savings and loan associations in Cook County had assets of nearly \$1.7 billion at the end of 1953. Deposit accounts totaled \$1.4 billion and mortgage loans aggregated \$1.3 billion.

The savings and loan associations invest their members' savings in home mortgages, and currently they are estimated to be providing more than 60 per cent of all home financing in this area.

The early associations were volunteer clubs, without offices or paid officials, organized for self-help in home buying by the flood of new-

comers from Europe to Chicago late in the nineteenth and during the first years of the twentieth century. One such was the Zelena Hora ("Green Hill") Building and Loan Association which met one night a week at 4958 S. Hermitage avenue on the city's southwest side. Ben Bohack, then a Loop accountant, was the Zelena Hora's secretary.

Talman's Start

Every three months the Zelena Hora matured a "series" of its shares, and in the same quarterly periods another mortgage or two would be paid off and new ones approved. In 1921, Bohack quit his job to start a real estate business and a new association at the edge of the city at W. 51st street and Talman avenue. The enterprise took its name from the location. In January, 1922, friends and neighbors had invested

\$692.75 of their savings, and with this small sum the new Talman association was chartered. Today it is the third largest savings and loan association in Cook County.

As Chicago stretched out along North avenue, Cermak road, Blue Island and Milwaukee avenues, and other major streets, funds from associations financed the blocks upon blocks of new homes. Organized by Germans, Poles, Czechoslovaks, Lithuanians and other national groups the associations often took their names from fraternal societies, and met in taverns, store fronts, real estate offices or church halls.

In 1904 the State Auditor of Public Accounts wrote of the 81 associations then in existence:

"Some of the significant features of their methods are that books, in many cases, are kept in the foreign language, all payments of dues and interest are weekly, moneys are re-

our story goes back to 1875

... a success story that could have happened probably only in Chicago. Just as our city has grown from trading post to great metropolis ... so has The FAIR grown from a one-story, sixteen-foot frame building to a great, architecturally famous 11-story building occupying one-half city block, and with 2 large, prosperous suburban branch stores. Then, as now, canny shoppers sought us out at the corner of State and Adams streets ... and in a few short years came to know The FAIR as the place to find "everything for everybody under one roof" ... and at lower prices. For, it wasn't Mr. E. J. Lehmann's idea that his store be only a fair or bazaar of merchandise, but that his customers be given the fairest deal possible. To that end, he introduced the idea of the broken nickel. The odd-cents price with its promise of penny savings per item worked a miracle in the fast-growing retail business and intrigued the thrifty housewife. Chicago records show, too, that on May 31, 1885, The FAIR also pioneered in the field of retail advertising by giving newspapers their first double page advertisement.

we're proud to have grown up with Chicago, proud to have played a part in its progress and its commerce ... and we pledge ourselves now, as then, to fulfill our role as the store with everything for everybody ... at the lowest possible prices.

The FAIR

a great store in a great city

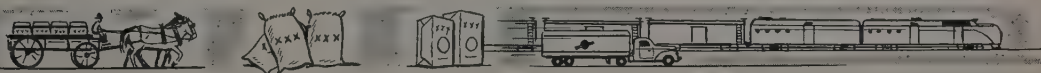


The B. A. Eckhart Milling Company

takes pride in joining other veterans of industry in recounting "The Chicago Story".

Chicago has traditionally been the heart of wheat trading in America. Bernard A. Eckhart was the pioneer of commercial flour milling here, adding stature to a city which has played a vital role in providing the world with the "staff of life".

Flour milling throughout the past five decades has kept the dynamic pace of American enterprise, and flour itself today emerges as a better, more nutritious product than our forefathers ever conceived.



More apparent, however, is the change in packaging and distribution. Once flour left the mill in cumbersome 196 pound barrels, hauled cross-town in wagons. Then came the cotton bag, followed by multi-wall paper bags. Latest of all are the intricate bulk trucks and airflow railroad cars which are the ultimate in speed, economy, and cleanliness. Each typifies our march of progress, and serves as a reminder of new horizons toward which we will always strive.

B. A. ECKHART MILLING CO.

1300 Carroll Ave.

Chicago, Ill.

ceived only on meeting nights, no regular office quarters are maintained, officers' salaries are nominal, economy seems to be the watchword, and among the membership a fraternal feeling is cultivated. . . . all but seven show an increase in assets during the year—a remarkable exhibit. The industry, thrift and ambition to own a home prevalent to such a marked degree among these classes is responsible for the standing and splendid record of these institutions. The people, believing and trusting in them, deposit therein their savings, and hundreds of homes have been and will continue to be acquired through this popular agency."

Some 40 of the 81 associations thus described in 1904 are still in existence.

A notable factor in the success of the associations has been their ability to maintain close contact with member-depositors. A great majority still function in or near their original neighborhoods, but with such modern added services as free parking lots, small-scale "kiddie counters" for youthful savers, house organs and special mailings for mem-

bers, and the use of meeting rooms for community organizations.

Several savings and loan associations have introduced a new note in financial operations by opening attractive offices in or near Chicago's busy Loop shopping center, State street. Among these are First Federal Savings and Loan Association of Chicago at 1 S. Dearborn street; Bell Savings and Loan Association of Chicago, at 79 W. Monroe street; Home Federal Savings and Loan Association of Chicago, at 200 S. State street; and Chicago Federal Savings and Loan Association of Chicago, at 100 N. State street.

Founded in '86

Home Federal, the first to move to State street, started in 1886 as the Domev ("Home") Savings and Loan Association at W. 18th street and S. Ashland avenue. As Chicago grew and industry began to crowd out residences in older central neighborhoods, many of Home Federal's members scattered throughout the city. Thirty years ago Home Federal had a thousand members and some \$500,000 in assets. Today it has close

to 50,000 savers and \$81 million in assets. This growth plus the wide geographic territory covered dictate the move in 1952 to a Loop location.

Still another origin of savings and loan associations is represented in the story of Bell Savings. Bell was organized in 1925 by employees of the Illinois Bell Telephone Company. Although the company took no part in its organization and growth, it did give encouragement. Bell Savings and Loan grew rapidly, and when members recommended it to their friends, the association opened its doors to persons not employed by the 'phone company. By 1939 Bell had grown to a membership of 16,500, with assets of nearly \$17 million, and it opened new quarters at LaSalle and Washington streets. In its first year at the new location, assets increased by another \$4.5 million, and finally the association acquired its own building at Monroe and Clark streets.

Chicago Federal, one of the newer associations, was organized in 1934 and moved to its present location at State and Washington streets late in 1953. Its services include a home



Always Building Toward a BIGGER and BETTER CHICAGO...

First Federal Savings

AND LOAN ASSOCIATION OF CHICAGO
1 South Dearborn . . . Phone Financial 6-3500

FIRST FEDERAL IS PROUD to have been the factor behind a large part of Chicago's phenomenal growth! Dedicated to thrift and home ownership, First Federal serves some 125,000 families in Chicagoland!

First Federal has helped *build* Chicago in two outstanding ways. First, by building Chicagoans' thrift . . . encouraging them to save for higher education and higher standards of living, both necessary to the growth of a community. Secondly, by financing home ownership, a vitally important element in any city's progress!

Yes, First Federal has continually helped build toward a bigger and better Chicago. At the present time, First Federal is extending credit to 30,000 home owners and is managing the funds of 95,000 savers.

Because of this ever-increasing acceptance, First Federal today ranks first in Chicago as the largest specialized financial institution of its kind!

anning department to provide advice and help on decorating, planning and equipment; a junior savings department with Saturday instruction for school children on how the department operates; a free meeting room in the lower lobby for civic clubs and organizations; a speakers' bureau for high schools, and high-school class tours of its operations; and vocational counseling.

First Federal, the largest Chicago association, maintains its large and attractive headquarters at Dearborn and Madison streets.

Since 1932 the Federal Home Loan Bank System has provided the savings and loan business with a credit reservoir similar to that provided for banks by the Federal Reserve System. The Federal Home Loan Bank of Chicago covers the seventh district in the system, and serves 539 member associations in Wisconsin and Illinois. The bank is entirely owned by these associations, who hold \$50 million in stock. Its assets, as of December 31, 1953, were \$189.9 million. At the same time, its advances, or loans, to member associations were \$152.3 million, and its deposits from members were \$62.5 million. The central bank's primary function is to channel funds from where there is a plentiful supply to where the funds are needed. Moreover, the bank acts as a supervisory arm of the Federal Home Loan Bank Board in Washington, supervising the federally-chartered associations here and cooperating with the State Auditor's office in the supervision of those state-chartered associations that carry federal insurance of members' accounts.

Insurance Function

The insurance function is handled by the Federal Savings and Loan Insurance Corporation, established in 1934 to insure savings in member associations up to \$10,000 per account. In the 20 years since its start, the insurance corporation has had only 37 "insurance cases" nationally. Rising employment and incomes during World War II, plus increased personal savings because of shortages of consumer goods, doubled the assets of Cook County associations, from \$104 million in 1939 to \$215 million in 1943.

The savings and loan associations set out aggressively to capitalize on

this introduction of thousands of new families to the association form of thrift. Appropriations for advertising and public relations were stepped up, new and larger quarters were obtained or old quarters were remodeled. New services were added.

Three of the local savings and loan associations are now well above the hundred million dollar mark in assets. The top ten in Cook County, in terms of assets, follow:

	Assets Sept. 30, 1954
First Federal Savings & Loan	\$158,822,126
Bell Savings & Loan	132,662,720
Talman Federal Savings & Loan	115,413,098
Home Federal Savings & Loan	81,014,354
Standard Federal Sav. & Loan	48,792,662
Lawn Savings and Loan	43,050,520
St. Paul Federal Sav. & Loan	40,993,848
Oak Park Federal Sav. & Loan	40,359,293
Chicago Federal Sav. & Loan	39,997,265
Olympic Savings and Loan	35,814,539

Some 400,000 new Chicago area homes have been financed by the savings and loan associations since the end of World War II.

CHICAGO— has been good to us, too!



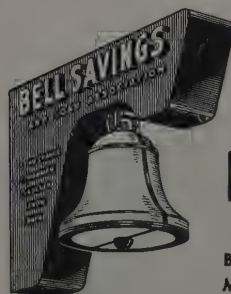
BELL SAVINGS, like countless other Chicago industries, has found Chicago "a dynamic place in which to live, work and carry on business."

As Chicago has grown, so Bell has grown, until now it is one of the largest savings and loan associations in the United States, recognized nationally for its conservatism as well as progress.

A Quarter Century of Growth

Started more than a quarter century ago by employees of one of Chicago's great industries, ten years ago Bell was serving 25,000 savers, investors and home owners. Today it is serving 55,000. In the beginning its assets were small. Ten years ago they had grown to \$26,000,000. Today the assets are \$135,000,000.

Chicago has been good to us. On the other hand, Bell's growth is proof that Bell services have been good for Chicago, helping its people to achieve security and higher standards of living.



{ We cordially invite you to come in and visit this nationally known Chicago institution and to use its services for saving, investing and the financing of your home. }

BELL SAVINGS

AND LOAN ASSOCIATION

BELL SAVINGS BUILDING—At the Sign of the Weather Bell
MONROE AT CLARK, CHICAGO 3 Financial 6-1000

Museums

(Continued from page 27)

History Museum conducts a variety of activities, from archeological "digs" around the world to germination of age-old seeds, with much of its work having actual or potential value to commerce and industry. Both seed growers and scientists showed interest recently in a Museum report indicating plant seeds may live for centuries under proper conditions.

Successful Experiments

The Museum reported several successful experiments, including its own germination of sacred lotus seeds that had been hidden for centuries in the peat layer of a Manchurian lake bed. Dr. Willard Libby, newly appointed member of the Atomic Energy Commission, determined through radio-carbon dating that the seeds were between 830 and 1,250 years old. Museum staff members often are asked by businessmen or government officials to help identify controversial objects, e.g., the customs officer who sought help in proving that certain feathers violated the import law against wild bird plumage.

One of the world's great fine art museums is the Art Institute of Chicago. Among its brilliant permanent collections are those of French 19th and 20th century paintings, Japanese prints and Chinese bronzes — all widely acclaimed for their excellence. Visiting exhibits, such as the recent showings of Van Gogh, Toulouse-Lautrec, Picasso, Rembrandt, Bellows and Chagall, augment the permanent hangings. Rare and selected collections of fabrics, glass, ceramics, tapestries, furniture and period architecture miniature rooms draw a steady audience of designers and craftsmen in both the fine and applied arts, helping to build an annual attendance of well over a million.

Adler Planetarium and Astronomical Museum presents its "greatest show on earth" through daily illustrated lectures and demonstrations. The museum section contains one of the world's finest collections of antique astronomical instruments, with items dating from 1479 and ranging from early globes and sun-dials to German precision instruments of the



Transportation in review at Museum of Science and Industry

WHERE TO GO . . .

Medieval figure at Harding Museum



Garfield Park Conservatory



A Renoir at the Art Institute



Azalea Show at Lincoln Park



th century. The Planetarium was
e gift to Chicago of Max Adler.
An equally popular contribution
the community is the John G.
redd Aquarium, with its 138 display
nks exhibiting living specimens of
uatic life. Salt water specimens
me from the Atlantic and Pacific
eans, and every continent is rep-
esented in freshwater exhibits.

The museum of the Chicago His-
rical Society holds an extensive
ollection of early Chicagoana and
so features national historical dis-
lays, including many Lincoln and
Washington relics. Director Paul
ngle calls it a "museum dedicated
to the things which have made Amer-
ica great, with Chicago a large part
of the vast picture."

The medieval armor and weapons
isplayed at the George F. Harding
useum have won international at-
ention for their excellent quality,
omparable to the best pieces pre-
erved in state armories of Europe.
arding Museum also includes col-
lections of musical instruments,
medieval and contemporary art and
enaissance furniture.

Some of the ways in which the
ideas and research behind Chicago's
useums come to life for their audi-
ences are exemplified by the Chicago
Academy of Sciences. Devoted to the
atural history of the Chicago area,
the Academy features exhibits of the
animal, bird, insect and plant life
of the region, past and present. It
also sponsors an annual series of free,
ublic lectures on these subjects,
ublishes scientific books and papers
n its fields, and makes its library and
ther resources available for research.

Most of the museums promote sim-
ilar activities. The annual "Christ-
mas Around the World" programs at
he Museum of Science and Industry,
eaturing national music, costumes
and customs, have become a Chicago
institution. The Natural History
useum regularly offers free motion
ictures and guided tours. The Art
nstitute features an "interpretation"
allery, where lucid, graphic explana-
tions help the layman increase his
understanding and enjoyment of
painting and sculpture.

Small wonder that Chicagoans
help support their "living museums"
with both taxes and gifts, and then
turn out in a total of six million
visits a year to enjoy these cultural
monuments.



Good fellows get together at Lincoln Park Zoo

... AND WHAT TO SEE

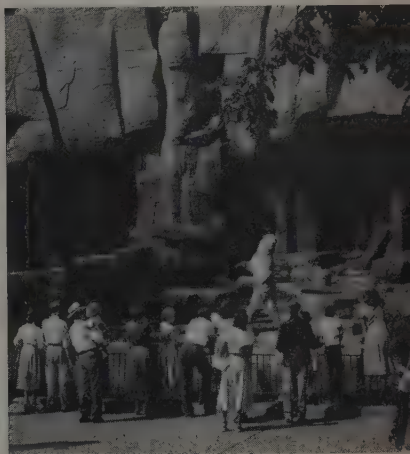
Hungry lion at Lincoln Park



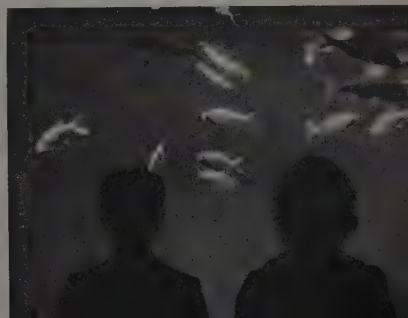
Planetarium machine



Brookfield Zoo's polar bears



Shedd Aquarium has 130 display tanks



Electronics

(Continued from page 64)

ing. While the broadcasting era is generally dated from November 2, 1920, the night KDKA, Pittsburgh, broadcast the Harding-Cox election returns, there were other stations on the air regularly with news and entertainment earlier, including WHA, Madison, Wis., and WWJ, Detroit. But actually it was DeForest who saw the possibilities of radio communication for public entertainment and information much earlier. On January 13, 1910, DeForest's name was in the headlines when he installed on the stage of the Metropolitan Opera House radio apparatus through which the great Caruso sang several operatic arias from "Cavalleria Rusticana." The notes were heard on a few amateur operators' sets and by a few ship operators coming into New York Harbor. By the middle of 1921 there were around 50,000 radio sets in the nation.

Reception Records

Then suddenly there was a rash of radio station building. Six months later there were one million sets, with their owners sitting up half the night striving to set new records in long distance reception. On November 11, 1921, KYW opened its doors in Chicago. It has since been moved to Philadelphia. Soon there were hundreds of radio stations on the air, all broadcasting willy-nilly without much regard to the effect their transmissions were having on other stations. For a time, Chicago maintained "silent night" on Mondays on all local stations so the DXers (distance tuners) could try their luck pulling in out of town stations.

Today there are more than 2,000 radio stations, and some 400 TV stations on the air and more than 100,000,000 radio sets and some 30 million TV receivers to hear and see them.

Chicago soon had a lot of stations, among them several which are nationally famous still today. WMAQ was one of the earliest. Then came the stations WTAS and WCEE, the stations of the noted Chicago lawyer, Charles E. Erbstein. He soon became identified as a radio personality. He referred to his call letters as standing for "Willie, Tommy, Annie and

Sammy." Those of his other station stood for his own name.

Meanwhile, other stations arrived, WGN, the (World's Greatest Newspaper) Chicago Tribune station; WENR, WLS, which originally stood for World's Largest Store—Sears-Roebuck; WEBH, the Edgewater Beach Station; WJAZ, the Zenith station, and many others, some of which were absorbed or disappeared.

The call letters WBBM first came over the air in 1923. WAAF went on the air in 1922. WAIT, formerly WCBF, shared time with WMBI (the Moody Bible Institute station) prior to 1935. WCFL, owned by the Chicago Federation of Labor, began operations in 1926. WIND, whose original call letters were WJKS, began broadcasting in 1927. The "IND" stands for Indiana, where the station originated. The Moose established station WJJD (for James J. Davis, founder of the organization) in 1934. It is now owned by Plough, Inc.

The first national network—NBC was organized in 1926. WGN was an outlet for it prior to the network's association with WMAQ.

Chicago contributed many ideas and provided many great radio personalities during its earlier years. The idea of the radio serial came from WGN. The first successful one was, of course, *Sam and Henry*, done by Charles Correll and Freeman Gosden, who later became even more famous when they went on NBC as *Amos 'n' Andy*.

From this idea stemmed another one that became almost a trade-mark for years for daytime broadcasting—the five a week serial strip which later became known as the "soap opera." The first of these was WGN's *Painted Dreams*. Within a few years after its debut dozens of these continued stories were being originated in Chicago studios and piped to the networks. Thus, Chicago became the daytime radio capital of the world.

Another great contribution made by Chicago was that of police radio. WGN installed at its expense receivers in police cars and interrupted its programs to broadcast police messages. This experiment in 1929 proved the efficacy of radio in police work and it was not long before

police radio was adopted in every city of the land. This experiment had another by-product; it showed the usefulness of radio in cars. And from this experiment stemmed the auto radio, which is regarded as standard equipment today. Motorola, in fact, first became famous for its auto radio receivers.

In the 20's and 30's other radio personalities became household names. Some of those that come to mind besides *Amos 'n' Andy* were Clara, Lu 'n' Em, backfence gossip trio; Irene Wicker, the Singing Lady; Wendell Hall, the Redheaded Music Maker; the Three Doctors (comics), East and Dumke, comedy team; The Quiz Kids; Garry Moore; Dorothy Lamour, Don Ameche; Tyrone Power; Jim and Marian Jordan, who became famous as Fibber McGee and Molly; Lum and Abner (Chet Lauck and Norri Goff); Little Georgie Gobel, famous as the boy soprano star of the WLW National Barn Dance, who grew up to become George Gobel, the poked-faced comedian of current TV fame; Guy Lombardo and Wayne King are just two of the many orchestra leaders who rose to fame through Chicago radio. And the Breakfast Club with Don McNeill. This is, of course, no roster of Chicago's radio successes. That would take pages.

Electronic Center

While Chicago was becoming famous as a radio production center—something it has continued to be during the TV era with the contribution of Burr Tillstrom and Kukla, Fran and Ollie; Don Herbert as Mr. Wizard, Super Circus, the Zoo Parade with Marlin Perkins, *Down You Go with Dr. Bergen Evans*—it was also becoming the center in the '30's of the electronic industry.

One of the very first to see the potential of Chicago was William J. Halligan, president of Hallicrafters, a native Bostonian. He became interested in wireless at 14, practicing code on homemade outfits. In World War I he served as a radio operator. Shortly thereafter he moved to Chicago because he thought it would become the nation's electronics center. He became famous for his ham sets. One set provided the only link with Pearl Harbor for several hours

imaginative ideas...

...unique techniques...an ever-new, revitalized approach to programming and service.

These attributes have earned for Radio Station WMAQ and Television Station WNBQ, the National Broadcasting Company in Chicago, nation-wide acceptance as the "Quality Stations of Mid-America" and as pioneering leaders between the coastal capitals of broadcasting.

The oldest station in Chicago Radio, WMAQ daily adds to its more-than-30-year record as a pillar of the industry by programming top-drawer entertainment, information and service for the Mid-American radio audience.

WNBQ, cradle of the much lauded "Chicago School of Television," enhances further Chicago's renown as an important broadcasting center by emanating more nationally televised programs than any other midland station. Local features, always first in favor with Chicago viewers, find still more distinction in the preponderance of imitations evident on the American video scene.

For quality radio-TV entertainment and service... For advertising media that sell to Chicago and the Midwest, the quality choices are...

WNBQ
Television

WMAQ
Radio

NBC
in Chicago

after regular communications were cut off.

McDonald has been a leader in electronics since the beginning of the industry here. In 1920, shortly after the war where he served as a naval intelligence officer he met two young men who were making a radio receiver and operating a ham station 9ZN. The ZN became Zenith and Zenith became one of the nation's leading radio, and in recent years television, set makers.

In 1924, as second in command of the MacMillan National Geographic Expedition to Greenland and northward McDonald showed the effectiveness of short wave radio to the United States Navy.

McDonald has led the way in the search for a box office for television. His phonevision, an idea for paying as you watch first run movies, sports events and spectacles for which people would pay has gained many adherents.

Paul Galvin, president of Motorola, also is typical of Chicago's electronic leaders. With his brother, the late Joseph Galvin, he scraped up only \$565 to invest in the original

Galvin Manufacturing Company to produce battery eliminators and home radios. When the eliminator market collapsed he hit upon a novel product in the radio for autos. Today, of course, Galvin's Motorola is a leader in practically every field of radio and TV set manufacture.

Admiral's Siragusa and three associates started with capital of \$3,400 in 1934, a depression year. That was a tough year to get money and Siragusa sold his car and most of his household effects to raise his share. The company started in a borrowed garage. One of his most successful depression items was a small set to retail at \$9.95. He was turned down by chain stores and mail order houses but finally sold 250 sets to a Pittsburgh jewelry store which involved payment for the sets before the payments on his components were due.

Webster-Chicago Corporation is a leading producer of magnetic wire and tape recorders and automatic record changers. It also makes laminations for use in electrical and electronic devices.

Among the many Chicago com-

panies making radio, television and electronic apparatus parts are the Muter Company and Oak Manufacturing Company.

These are only a few of the great electronics companies of Chicago. Their executives are typical of those in this young but vastly important industry. They are dynamic men, daring and they are men who have changed the world for better, easier more interesting living.

Mindful of the tremendous impact that electronics has made on our civilization it is ironic that the man who really started it all — Dr. Lee DeForest — once stood before a New York court charged with using the mails to defraud because he had sought to persuade people to invest in his "worthless glass tube." Dr. DeForest got off with a lecture from the judge, but two of his associates were convicted. This "worthless tube" only a few years later made it possible to speak across the Atlantic ocean and to achieve a hundred other just as startling miracles as well as to found a five billion dollar a year industry, which Chicago has led and will continue to lead.



dial the stars

Drew Pearson

Bill Anson

Liberace

Rantanen

Stella White

Sig's Show

Music by Roth

Beatrice Kaye

Baukhage

Sammy Kaye

Daddy-O

Bill DeCorrevont

Eddie Fisher

Nelson Eddy

Wayne King

Mr. District Attorney

Hour of Charm

Joe E. Howard

CHICAGO'S Foremost Independent Radio Station

MEDICAL CENTER

(Continued from page 31)

mental nature of matter. However, it also will see service as an auxiliary cancer-fighting weapon.

It was under the west stands of Wrigley Field at the U. of C. during World War II, that scientists achieved the first sustained and self-perpetuating release of atomic energy. That historic accomplishment, in addition to ushering in the atomic bomb, also has made possible the use of radioisotopes for the successful treatment of certain kinds of thyroid cancer and for the tracing of fundamental life processes that promise a new day of hope in the understanding and eventual conquest of many diseases. All of this progress is a far cry indeed from what Abraham Flexner, in his famed Flexner Report, wrote about Chicago in 1910. In that appraisal, written as part of a study on medical education in the United States for the Carnegie Foundation for the Advancement of Teaching, Flexner said: "The city

of Chicago is in respect to medical education the plague spot of the country."

Flexner reported that ten of 14 medical schools then operating here would be closed if the laws were enforced. He charged that some of the schools, with the connivance of state authorities, were merely commercial diploma mills which, for a fee, turned out uneducated and ill-trained practitioners.

That was 44 years ago. If Flexner could return to Chicago today to write another 346 page report, he would reveal that Chicago has replaced Vienna as the world capital of medical education. No longer is it necessary for American doctors, surgeons and biologists to go abroad to complete their education. Every facility is available in Chicago.

Chicago is headquarters for the following medical and allied organizations: The American Medical Association, the American Dental

Association, the American Veterinary Medical Association, the American Hospital Association, the American College of Hospital Administrators, The American Association of Industrial Physicians and Surgeons, The American College of Radiology, The Central Surgical Association, the College of American Pathologists, the American College of Surgeons, the International College of Surgeons, the Association of American Medical Colleges, and the Association of American Physicians and Surgeons, Inc.

In addition, Chicago is headquarters of the University of Illinois College of Pharmacy, has 44 schools of nursing, 21 schools for medical librarians, ten for medical technologists, one for physical therapists, one for occupational therapists, one for dental hygienists, and a college accredited course in hospital administration.

Chicago's medical plant is worth slightly more than one billion dollars today and is growing daily. Truly if Chicago is not already the world's medical capital, it will be within the very near future.

Intravenous Road to Health

THE STORY OF BAXTER LABORATORIES

If ever you're unable to take food by mouth, or if your digestive system can't do its job efficiently, you will thank companies like Baxter for providing your diet by vein.

Intravenous feeding and blood banking are the two ideas for which Baxter Laboratories is most generally known.

Today, it is possible to supply practically all the basic elements of food—water, carbohydrate, vitamins, protein and minerals—by vein. The well nourished patient is not only happier but is in a condition to get well much more quickly.

In 1939 Baxter introduced the "closed system" of blood banking which for the first time made it possible to collect a pint of blood in a vacuum bottle, store it in a refrigerator up to 21 days, and then give the blood to a patient—all without the blood ever coming into contact with the outside air. Result: Many



This modern Baxter building at Morton Grove, Illinois houses the executive and administrative offices in addition to research, production and control laboratories.

lives saved in hospitals and on the field of battle.

Over the years Baxter Laboratories has developed many new intravenous solutions. Two of the most recent are the Travert family of high-calorie carbohydrate solutions, and Gentran for the prevention and treatment of shock. Moreover, you can be certain that many more solutions as well as improvements in blood banking equipment will

emerge from Baxter research laboratories to keep pace with new developments in medical care.

Baxter Laboratories, Inc. is a relatively young company, having begun operations in 1933. The main plant is located in the metropolitan Chicago area at Morton Grove, Illinois. Other plants are at Cleveland, Mississippi; Greenville, Kentucky; Acton, Ontario, Canada; and Johannesburg, South Africa.

INDUSTRIAL DEVELOPMENT

(Continued from page 33)

and other bakery products in 1904 employed 7,200 persons, men's clothing manufacturers employed 23,000, women's clothing only 5,700, and meat packing 28,000. Steel mills at that time employed 6,000 persons, and foundry and machine shops 33,000. But Chicago was even then becoming a steel center and had some 2.3 million tons of production capacity in its metropolitan area.

Some of the most obvious items missing from the roster of manufactured goods in 1904 are household appliances and electrical devices. Makers of electric machinery, apparatus and supplies employed only 7,600 persons, and had production valued at \$16.3 million. There were no electric refrigerators, electric stoves, washing machines, television sets, radios, or any of the other electrical labor-saving or amusement devices so common today. In those days refrigerators were ice cooled, and the census of 1904 classified them as furniture.

Productivity in manufacturing has increased so greatly in 50 years

that not only is there much greater variety of production, but also a much shorter work week. Only 50 years ago men worked much longer each day and each week than they do at the present time. In 1909, 69 per cent of the workers in manufacturing establishments in Illinois worked between 54 and 60 hours a week, and 8 per cent of the workers exceeded 60 hours a week. Blast furnace workers put in more than 72 hours a week, as did nearly all the workers in the cement and manufactured gas industries, and about three-fifths of the workers in steel and rolling mills. Workers in breweries, printing plants and tobacco factories, on the other hand, worked 48 hours or less a week.

During World War I, Chicago area manufacturing plants were expanded to meet the needs created by the war, and in the prosperous 1920's this expansion continued. Radio and other electronic products began to appear on the market at this time, made largely in the Chicago area plants. Some familiar com-

pany names went out of existence during the great depression of the 1930's.

One of the greatest bursts of industrial expansion the Chicago area has ever known came during World War II. Chicago outstripped all other metropolitan areas with the construction of \$1.2 billion in war plant facilities alone. It has been estimated that manufacturing capacity in the Chicago area was increased by as much as 50 per cent in this period.

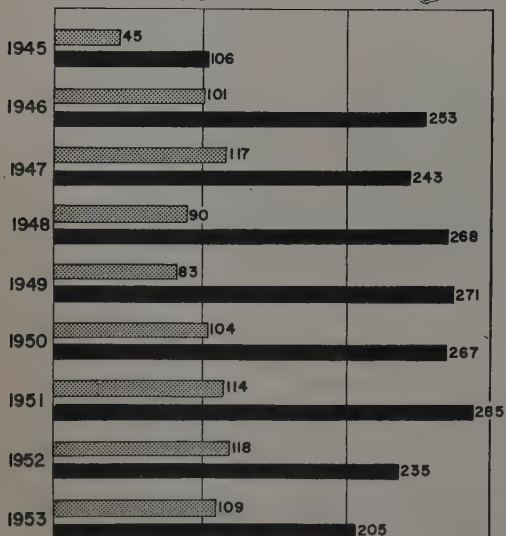
Tremendous Plants

It was during this time that the tremendous Dodge-Chicago plant, one of the largest under one roof in the world, was built. A huge aluminum rolling mill was built in McCook, and was operated during the war by the Aluminum Corporation of America. In Melrose Park the Buick Motors Division of General Motors Corporation, operated a government-owned factory of tremendous size for the production of aircraft engines. Studebaker Corporation, Douglas Aircraft Company, American Can Company, Bendix

POSTWAR INVESTMENTS IN INDUSTRIAL PLANTS IN THE CHICAGO AREA



NUMBER OF PLANTS



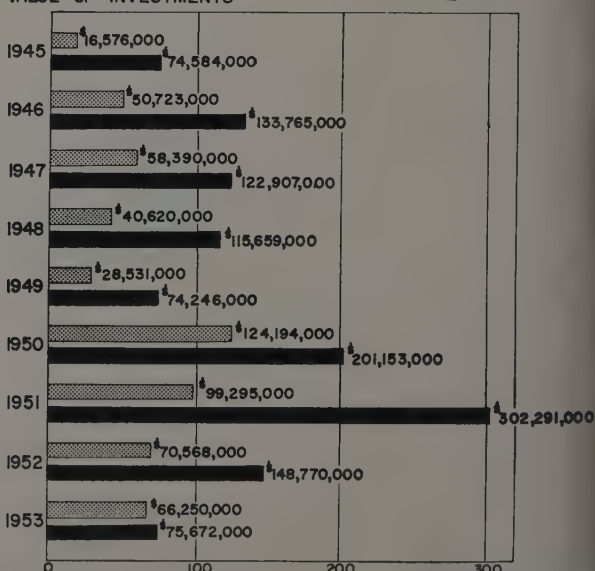
NEWLY CONSTRUCTED PLANTS

OTHER PLANT INVESTMENT PROJECTS

1945 FIGURES INCLUDE ONLY PORTION OF YEAR AFTER V. J. DAY.



VALUE OF INVESTMENTS



NOTE: "OTHER PLANT INVESTMENT PROJECTS" INCLUDES EXPANSION OF EXISTING PLANTS AND THE ACQUISITION OF LAND OR BUILDINGS FOR INDUSTRIAL USE.

SOURCE: THE CHICAGO ASSOCIATION OF COMMERCE & INDUSTRY



Tacoma Building
1886



Champlain Building
1894



Chicago & Northwestern Building
1905



Marquette Building
1906



Blackstone Hotel
1910



Mick Building
1911



Monroe Building
1912



Hearst Building
1912



Otis Building
1913



Michigan Boulevard
Building—1917



Conrad Hilton Hotel—1928

FULLER'S OWN "CHICAGO STORY"

Our "Chicago Story" began 72 years ago in the dream of a young architect. He saw a low, sprawling city of thick-walled buildings—and imagined light, sturdy structures reaching into the sky.

Before long, George A. Fuller turned this dream into a reality with the construction of the Tacoma Building. This steel skyscraper pioneered Chicago's towering skyline.

From that day Chicagoans brought Fuller their building needs time and time again. And today, the George A. Fuller Company is readying for occupancy the largest office building to go up in Chicago since it completed the Field Building in 1936.

We are proud to have played this leading role in the building of a greater Chicago and it is with a feeling of justifiable pride that we present our latest contribution to the "Chicago Story" . . .

THE PRUDENTIAL BUILDING.



Passavant Hospital
1930



Marshall Field Building
1936



Wesley Hospital
1942



Bonwit Teller Store—1944



Dodge Chicago Plant—1945



THE PRUDENTIAL INSURANCE COMPANY OF AMERICA
Mid-America Home Office
Naess and Murphy, Architects-Engineers



Bell Telephone



Evergreen Park Shopping Plaza

Sign of leadership in
building construction



111 West Washington Street, Chicago 2, Illinois

THE CHICAGO SCREW COMPANY

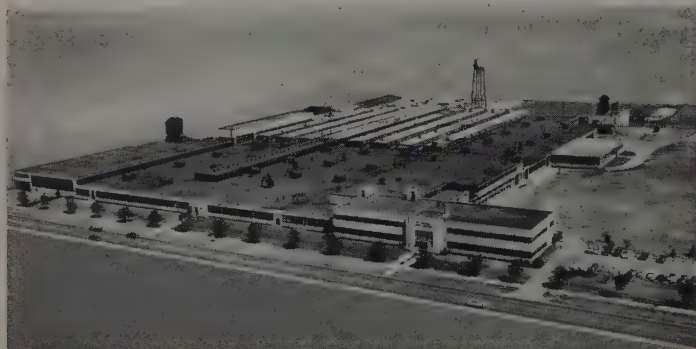
for 82 YEARS in threaded products in Chicago
and as a charter member of the Association

SALUTES

the Chicago Association of
Commerce and Industry

on it's

GOLDEN ANNIVERSARY



613,078 SQUARE FEET OF FLOOR SPACE. OVER 1700 MACHINE TOOLS FOR THE PRODUCTION OF SPECIAL SCREW MACHINE, COLD UPSET, HARDENED AND GROUND PRODUCTS—COMPLETELY FINISHED. VALVE TAPPETS, PUSH-RODS, LIGHT ASSEMBLIES.

The Complete Chicago "Safety Plus" Line Includes:

Socket Set Screws, Socket Head Cap Screws, Socket Stripper Bolts, Square Head Dog Point Set Screws, Socket Pipe Plugs, Flat Head Socket Cap Screws, Hexagon Keys and Key Kits.

"CHICAGO" LAMP PARTS
SWING ARMS (PATENTED)
FITTINGS • FINIAL • KNOBS •
NECKS • SWIVELS • NUTS •
NIPPLES • BUSHINGS • REDUCERS •
NOZZLES • INSERTS • BALLS

The Complete "Chicago" Line of Standard Products Includes:

Hexagon Head Cap Screws in steel—bright and Grade 5, heat treated, also in brass and stainless • Square Head and Headless Set Screws • Taper Pins • Milled Steel Studs • Flat and Fillister Head Steel Cap Screws • Hexagon Nuts in steel and brass.

Hydraulic Tappets • Hydraulic Units for Push-Rods and Rocker Arms • Mechanical Tappets • Push-Rods • Self Locking and Standard Thread Adjusting Screws • Adjusting Screw and Pad Assemblies • Valve Spring Retainers • Split Valve Locks

SINGLE AND MULTIPLE SPINDLE AUTOMATIC SCREW MACHINES
BAR CAPACITY $\frac{1}{4}$ " TO $5\frac{1}{2}$ "
COMPLETE SECONDARY OPERATION EQUIPMENT
INCLUDING HEAT TREATING AND GRINDING
COLD AND HOT HEADING TO $1\frac{1}{2}$ " DIAMETER

THE CHICAGO SCREW COMPANY

CHICAGO PHONE
EStebrook 8-7400

Factory and General Office
2701 Washington Blvd.
Bellwood, Ill. (Chicago Suburb)

Aviation Corporation, American Steel Foundries, Republic Steel Corporation, Inland Steel Company and United States Steel Corporation were among the well-known companies that operated war plants under prime contracts with the federal government.

However, the multitude of small metal-working factories in the Chicago area, many of them acting as sub-contractors, also expanded their plants, increased their working force and installed new machinery, to turn out war equipment. In time, the large and small, if they had the proper tools, switched from civilian to war production.

When peace came Chicago was more readily reconverted to civilian production than most other cities. Almost overnight the government-owned war plants were sold to private operators and began putting out civilian goods. Examples were the purchase of the Buick plant by International Harvester Company; the purchase of various steel facilities by the operating steel mills, and the lease of the aluminum plant by Reynolds Metals Company. Bell & Howell Company took over the war plant it operated in Lincolnwood; Electric Motive Division of General Motors Corporation acquired the plant at 103rd and Cottage Grove avenue. Electric Storage Battery acquired one of the Foote Brothers war plants. There were many other similar acquisitions.

Expansion Programs

But at the same time that war created plants were being snapped up by industry, other companies pushed long delayed expansion programs into effect. Among those that built new facilities in the immediate post-war period were Borg-Warner, Sinclair Oil Refining Company, National Can Company, Storkline Furniture Company, B. T. Babbitt Company, Keyes Fibre Company, Sanford Ink Company, R. R. Donnelley and Sons, Armstrong Brothers Tool Company, G. D. Searle Company, Diamond Alkali Company, Columbia Envelope Company, Aluminum Company of America, Chicago Screw Company, Majonnie Dawson Company, Clawson & Ball Inc., and Chromium Mining and Smelting Corporation.

During 1949 the rate of new plant

MATERIAL SERVICE CORPORATION

**BUILDING CHICAGO
FOR 35 YEARS**

SALUTES



**THE CHICAGO ASSOCIATION
OF COMMERCE AND INDUSTRY**

on its **50TH YEAR**



additions slowed down to \$102 million in the Chicago area as compared with an average of \$175 million for the preceding three years.

In 1950 the worsened world situation and the outbreak of the Korean conflict gave further impetus to plant construction. It soared to a new peacetime high of \$325 million and then broke that record in 1951 with \$402 million.

Civilian Projects

The year 1950 had started off with some very large civilian production projects, among which was the Budd Company plant in Gary; a large plant for Hotpoint; a large plant for Caterpillar Tractor Company, and several other sizeable projects. In June came the outbreak of the Korean conflict, and both civilian production and war plant facilities continued to be added. National Biscuit Company built the largest bakery in the world; St. Charles Manufacturing built a large new plant; Goss Printing Press Company started its new plant; and International Harvester Company

started a very large warehouse building which was shifted to war plant production before it was completed. Sunbeam, Inc., and Vulcan Mold and Iron Company announced new additions late in September, and Sawyer Biscuit Company started its large bakery in Melrose Park. Many expansions of existing plants were undertaken in 1950 with Olson Rug Company doubling its size and electronics firms going all out for expansion. Admiral, Webster-Chicago, Sentinel Radio Corporation, and several others in the electronics field expanded their plants, followed a little later by Motorola, Zenith, and Hallicrafters.

In this period the steel mills started to expand. United States Steel, Youngstown Steel and Tube Company, Acme Steel Company, Inland Steel Company, and Republic Steel, all started tremendous programs. Some of these programs have not yet been completed, but they have already resulted in an increase of five million tons of ingot steel capacity in the Chicago Metropolitan Area. Along with this capacity increase, of course, went increases in

rolling mill and finishing facilities.

Building of new plants and expansions of existing plants in the Chicago area have continued at high rate since Korea, exceeding far the number added by any other area in the country. One study based on reports of Engineering News Record, and including on new plants of \$100,000 value or over, shows that between July, 1949 and June, 1954, 481 plants were built in the Chicago area as compared with 189 for the second place Los Angeles area.

Since the end of World War more than \$1.7 billion has been invested in plant facilities in this area. Although directly comparable figures are not available for other areas, it is safe to state that a large investment has been made in plant facilities in the Chicago Metropolitan Area since 1940 than in any other metropolitan area in the nation.

Wide Diversification

The outstanding feature of Chicago's manufacturing activities is wide diversification. There are more large industries here than in any other manufacturing center in the nation. Chicago is not only the No. 1 steel center, but also first in the production of fabricated metal products, first in the production of electrical and electronic machinery, and first in the production of non-electrical machinery. It is first in the production of railroad equipment and large in the production of other transportation equipment.

Chicago is first in the production of many food products, including meat and confectionery; it is second in the production of chemical products, and ranks third in petroleum refining. It is a leading furniture manufacturing center, and is unequalled in job printing by any area of the nation. As a paper converting center it is outstanding, although it does not produce a great deal of paper from the basic pulp. The city is steadily increasing its standing in the products made of stone, clay and glass, and is one of three leading centers in the production of apparel and finished textile products.

Diversification has made the Chicago Area one of the most depression resistant areas in the country.

PROPERTY VALUATIONS

of

BUILDINGS & EQUIPMENT

For Insurance, Accounting and Other Purposes

COATS & BURCHARD COMPANY

since 1894

NATION-WIDE SERVICE

Branch Offices in Principal Cities

Longbeach 1-2181

4413 N. Ravenswood Ave.

Chicago, Illinois

BUILT

FOR A DYNAMIC AND GROWING

Chicago



DOWNTOWN PARKING FACILITY #1 WACKER
DRIVE BETWEEN STATE & DEARBORN STREETS



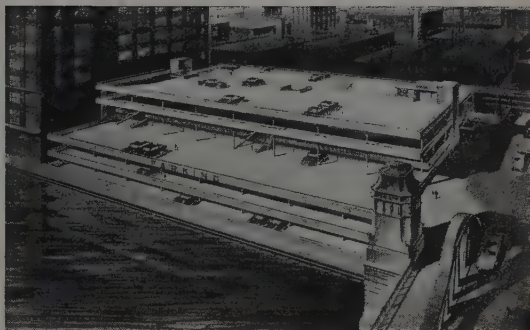
DOWNTOWN PARKING FACILITY #3
CONGRESS AND STATE STREETS



DOWNTOWN PARKING FACILITY #4
WABASH AND GRAND AVENUES



DOWNTOWN PARKING FACILITY #2 — MADISON &
MONROE STREETS — WACKER DRIVE & THE RIVER



DOWNTOWN PARKING FACILITY #9
LA SALLE STREET & THE RIVER



THE GREAT WACKER DRIVE IMPROVEMENT

We Proudly Salute The Chicago Association of Commerce on Its Golden Anniversary 1954

HERLIHY MID-CONTINENT COMPANY

ENGINEERS • CONSTRUCTORS

ONE THIRTY FIVE SOUTH LA SALLE STREET

CHICAGO 3, ILLINOIS



because it is not susceptible to the economic fortunes of one industry.

In recent years there has been much talk of decentralization because many new plants have been located outside of the city limits of Chicago. The modern one story plant must have large areas of land, not only for the spread out structure itself but for off-street parking and to provide room for future expansion. Few such large land areas remain in Chicago and the close-in suburbs. This is especially true in the northwest section of the city

where industrial land is very scarce. However, the southeast portion of the city, especially around Lake Calumet, has considerable potential industrial land available, and several large plants have been established there.

While many large plants have been built outside the city limits, just as many small plants have been built inside the city.

During the four years, 1950 through 1953, new industrial construction projects, including additions to existing plants, were evenly

divided between projects inside and outside the city. As recorded by the Industrial Department of the Chicago Association of Commerce and Industry, 476 new industrial construction projects were reported inside the city during the four year period, as compared with 481 projects erected outside the city. However, the estimated floor area involved in these projects was only 18.1 million square feet for those inside the city and 38.5 million square feet outside the city.

Thus it is apparent that instead of decentralizing, industry is seeking suitable sites wherever they exist. As soon as industrial land becomes available inside the city, such as sites developed in vacant land areas now considered blighted, there will be renewed interest in establishing large plants inside the city.

We Harnessed Chicago's Horsepower



THAT was in 1878. We made harnesses for horses, buggy whips, and power belting for the steam horsepower of industry. From there, our trade-mark—SIRVIS—for mechanical leather products has become a national symbol of quality and dependability.

Since our oil seal pioneering days, paralleling the development of the automobile, C/R Seals have become industry's first choice for serious problems of lubricant retention and dirt exclusion.

In the early '30's, our introduction of SIRVENE Synthetic Rubber for highly specialized, molded mechanical parts successfully met another urgent need of industry.

Currently, we have introduced the new material—CONPOR. In addition to providing complete control of porosity, Conpor sealing members and packings have all the advantages of leather—such as flexibility, strength, stability, and oil and solvent resistance.

It's great to continue to be a part of Chicago's industrial progress after 76 wonderful years. And today we are happy to congratulate the Chicago Association of Commerce and Industry on its 50th Anniversary.

Blighted Land

Blighted vacant land is land that is unusable for reasons of lost ownership, delinquent taxes, or obsolete platting, and is unsuitable for development for any purpose until clear title and removal of encumbrances can be attained. Some blighted vacant land is available for housing purposes, other blighted vacant land lies along railroads, and is chiefly suitable for industrial use.

The Chicago Association of Commerce and Industry is working at present to obtain legislation that will permit the Chicago Land Clearance Commission to acquire large areas of blighted vacant land for industrial purposes. It is necessary to amend both federal and state laws in this matter to accomplish this.

With the development of the St. Lawrence waterway and the Cal-Sag Channel, large areas of vacant property will have valuable water frontage both within and outside the city. When Lake Calumet is developed into a deep water harbor there will be hundreds of acres of waterfront property served by piers which will be built into the lake.

Chicago's unexcelled advantage as an industrial location, including sites, labor supply, utilities, transportation, financing, its own huge market, and its raw material and supply facilities, will continue to make it attractive for new plants and industries.

CHICAGO RAWHIDE MANUFACTURING COMPANY
1301 ELSTON AVENUE • CHICAGO 22, ILLINOIS

GEORGE GETZ

CORPORATION

400 NORTH MICHIGAN
WRIGLEY BUILDING
CHICAGO 11, ILLINOIS

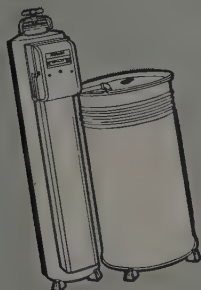


George F. Getz, Jr.
President

MODERN

WATER EQUIPMENT COMPANY

WEST CHICAGO, ILLINOIS

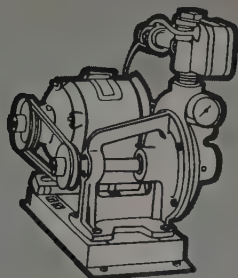


"SUPPLYING THE NATION with
WATER TREATING EQUIPMENT and
ELECTRIC WATER HEATERS"

*Serving Chicago
for
Over 50 Years*

WOODMANSE

MANUFACTURING COMPANY, FREEPORT, ILLINOIS



"Since 1861
the NATION'S DEPENDABLE SOURCE
of PRECISION POWER SYSTEMS"

- Deep and shallow well pumps
- "Freez-Free" wall faucets

Fabriform Metal Products

7720 MAIE AVENUE, LOS ANGELES 1, CALIFORNIA

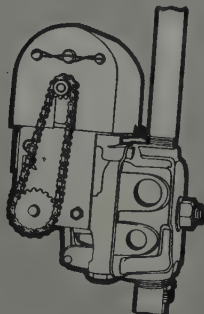


"The LARGEST
CUSTOM COPPER FURNACE BRAZERS"

- Cuts fabrication costs
- Steps up production rates

RAY-LEE ENGINEERING INC.

WEST CHICAGO, ILLINOIS



"Serving the Water Treatment
Industry with
AUTOMATIC CONTROLS"

WHOLESALE TRADE

(Continued from page 36)

ing salesmen to form "The Merchants and Travelers Association of Chicago." This organization sponsored spring and fall market openings; offered out-of-town retailers reduced rail and hotel rates as inducements to shop in the Chicago market; conducted trade or goodwill trips to communities within the Chicago wholesale trading area, and obtained reduced rail and hotel rates for the city's traveling salesmen. There is good reason to believe that the first road salesmen's organization formed in this country was conceived in Chicago and that the trade trip idea also originated here.

In 1896 the organization was renamed the "National Association of Merchants and Travelers" and its membership was expanded to include out-of-town retailers. In 1922 the Chicago Association of Commerce and Industry organized an affiliate association of out-of-town

merchants which was named the "Interstate Merchants Council." This affiliate, which functioned until 1940, was for many years the Chicago wholesale market's most potent trade building agency.

The National Association of Merchants and Travelers was one of four organizations that joined forces in 1904 to form "The Chicago Commercial Association," now the Chicago Association of Commerce and Industry.

It is probably because of this background that the present Association, very early in its history, adopted and proceeded to put into use the slogan—"Chicago—The Great Central Market."

Chicago's earliest wholesalers were located in the immediate vicinity of present-day Lake Street and Wacker Drive, but by 1872 most of them had moved into the Franklin-Adams-Market Streets area.

By 1902, the area bounded by Monroe, Wells and Van Buren streets, and the Chicago River, was solidly filled with wholesalers—largely wholesalers of soft goods lines such as dry goods, general merchandise and apparel. Ten new buildings providing one million square feet of floor space, were erected in the area in the years 1903-4. Within a year these buildings were completely occupied by wholesalers.

In 1903 a furniture wholesale center was established in an area encompassed by Michigan and Indiana avenues and 12th and 16th streets. More than 600 furniture manufacturers and wholesalers moved into this area out of a total of 4,000 such firms in the entire nation. In the first year in which they operated in that area their sales totaled \$40 million.

South Water street was long the home of the city's wholesale produce business. Almost 160 firms, employing 800 horse-drawn vehicles, were located there. As early as 1904 the produce men were talking about

the Butler Brothers Story

77

YEARS OF MERCHANDISING PROGRESS

HOW IT ALL BEGAN

Back in 1877, three brothers—George, Charles and Edward Butler—opened their first shop in Boston in a small 16x40-ft. room.

Two years later, headquarters and a branch was established in Chicago. St. Louis branch followed in 1898, Minneapolis in 1907, Dallas in 1911, and Baltimore in 1927.

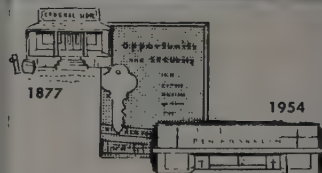
The Brothers pioneered two merchandising ideas that revolutionized the Wholesale and Retail Methods of this country.

The first idea—THE 5c COUNTER—was the "seed" of today's multi-billion dollar variety business.

The second idea—SELLING BY MAIL—is a merchandising practice now employed by thousands of companies.

In the early 1920's Butlers pioneered still another merchandising innovation—THE BEN FRANKLIN FRANCHISED STORE PROGRAM—designed to provide independent store owners all the advantages employed by major chains.

Today, Butler Brothers merchandising policies are geared to servicing its more than 2,300 franchised Ben Franklin Stores, located in every state in the Union plus Alaska and Hawaii.



"OPPORTUNITY and SECURITY" the story of BEN FRANKLIN STORES

This booklet was prepared for individuals interested in a retail business of their own—explains how Butler Brothers provide professional retail guidance to over 2,300 independently owned Ben Franklin Stores. New stores are added to this total at the rate of one for every working day.

BUTLER BROTHERS
Randolph and Canal Streets • Chicago, Illinois

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The new s.s. United States is the world's fastest, most modern super-liner. 53,330 tons. Sails every two weeks between New York, Havre and Southampton.

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THE SUPERLINER United States, truly worthy of the proud name she bears, has put the American flag again on a ship second to none in the world for speed, comfort, service and cuisine. This great vessel is the flagship of the swift, up-to-date fleet of forty-seven other ships which fly the famous United States Lines house flag—popular with American shippers and travelers since 1893.

This American-flag fleet plies essential trade routes . . . links this country to Europe, the Far East and Australasia. The United States Lines' company-owned fleet provides shippers and passengers here and abroad with regular, dependable service.



The luxurious s.s. America . . . choice of discriminating travelers for comfort, food and enjoyment . . . links New York with Cogh, Havre, Southampton and Bremerhaven offering regular sailings.

Forty of these modern C-2 cargo vessels . . . each more than 10,000 dead-weight tons . . . make up the backbone of this great cargo fleet.



Six of these modern Victory-type cargo vessels . . . over 10,000 dead-weight tons each . . . complete United States Lines' fleet of 48 great American-flag ships.



United States Lines

1 BROADWAY, NEW YORK 4, NEW YORK
OFFICES IN PRINCIPAL CITIES

moving some place else, and the did so in 1922 when the present South Water Market was established west and slightly south of the Loop.

The American Furniture Mart opened for business in Chicago in 1923; the Merchandise Mart in 1923. The former is the largest building in the world devoted to the display and sale of products of a single industry; the latter is the largest commercial building in existence.

Chicago's first census of wholesale trade, financed by The Chicago Association of Commerce and Industry and tabulated by the Census Bureau, was made in 1922 and covered the preceding year.

A comparison of this census with the 1948 wholesale census (the latest) discloses many interesting developments.

There were, for example, 82 wholesalers of foodstuffs, including groceries, confectionery and meat in 1926. Their total sales in the year were \$673 million. This same group numbered 1,150 in 1948, with combined sales slightly over \$2 billion.

In 1926 there were 1,419 wholesalers of dry goods and apparel, with total sales in excess of \$445 million. In 1948 there were 1,136 such firms with combined sales approximately \$631 million.

Other interesting comparisons are in the case of Furniture and home furnishings—550 wholesalers with a combined volume of \$153 million in 1926 against 381 with a combined volume of \$267 million in 1948.

Drugs and chemicals—179 firms did \$68 million worth of business in 1926, against 505 firms and \$611 million in 1948.

Lumber and construction materials—587 firms and \$279 million in 1926; 431 firms and \$522 million in 1948.

In 1948 there were 817 wholesalers of edible farm products in metropolitan Chicago, with aggregate sales approximating \$1.2 billion; 397 wholesalers of electric goods and equipment with sales totaling \$731 million; 345 wholesalers of paper with sales of \$344 million; 371 wholesalers of hardware, plumbing and heating supplies, with sales approximating \$275 million.

The years 1926 to 1948 were marked by the absorption of many wholesale houses by larger com-

ies, notably in the grocery and
g field, and the disappearance of
merous general line wholesalers
dry goods, notably the John V.
well Company, Marshall Field &
, wholesale, and Carson, Pirie,
ott & Co., wholesale. Butler
others, formerly a general dry
ods wholesaler, was completely re-
mped. Today it serves only stores
owns or independently owned
res having a Butler Brothers fran-
chise.

Of all the pioneer Chicago general
e wholesale houses, only a rela-
tely few retain their early charac-
with respect to the variety of
ns carried, volume of merchan-
e stock, and merchandising meth-
practiced. Among them are Hib-
rd, Spencer, Bartlett & Co. (hard-
re); J. W. Butler Paper Co.; A.
McClurg & Co. (stationery, gift-
es and books); W. F. McLaugh-
& Co. (coffee and tea); W. F.
ergens & Co. (jewelers); Albert
k Co. (hotel and restaurant sup-
es) and Franklin MacVeagh & Co.
(wholesale grocers).

A few famous old-line wholesale
cery firms retain their identity
divisions of the Consolidated Gro-
ner & Co., Reid Murdoch & Co.,
s Corp. These include Sprague,
l Durand-McNeil-Horner Co.

Chicago's general line wholesalers
ched their peak in numbers dur-
g World War I. Competition of
chain stores starting in the 20's,
d the depression of the 30's, caused
re and more retailers to buy as
uch as they could directly from
e manufacturers, giving to the
wholesalers their "fill-in" or "sub-
marginal" business. The result was
at many general line wholesalers
ame specialty wholesalers or
mply discontinued operations.

In 1904 fifty trade shows, known
o as wholesale selling events, mar-
t openings or merchandise fairs,
re held in Chicago. In 1921 there
re 100. For the past five years the
nual average has been in excess
500. The extent to which trade
ows contribute to the city's whole-
e and manufacturing sales volume
ay be appreciated when it is un-
rstood that shows of this character,
hich cater to the retail trade, an-
ually attract half a million buyers
Chicago. The closest trade show
al is New York City with 350
de shows a year.

In 1921 the Chicago Association



Turning the Clock Back 50 YEARS



IN THAT day of not so long ago, Chi-
cago, the lusty youngster of the great
Middle West, had already acquired fame
as a Mecca for the tourist, the sight-seer
and as a great convention city. As Chicago
emerged from the horse-car era, trans-
portation to the far corners of the city be-
gan to open vast new areas to development.

First came the cable-car, then the over-
head trolley and finally the elevated sys-
tem. Rapid transit became reality, but
only along comparatively few arteries. In
spite of this, Chicago persistently kept
pushing its boundaries farther south,
west, and north. Towns like Jefferson
Park, Woodlawn, Bridgeport or Lake
View lost true identity as they continued
to join up — only the names remained as
memories of other days.

In a larger sense, Chicago's march to the
north was stopped at the river. Along the
south bank stretched the great South Water
Street produce markets, the local point of
food distribution not only for Chicago but
for a large segment of the Nation.

Everywhere horse was king — from the
stylish turn-outs of the boulevards, to the
horse-drawn trucks and drays, wagons,
carts, and vehicles of every sort. Auto-
mobiles and traffic lights — traffic as we
know it now — was non-existent. Even
the horse-drawn street car persisted for
the early morning passenger . . . the so-
called owl-car.

From the beginning, despite all handicaps
and problems, the spirit of hospitality
was deep-rooted in the city by the lake.
The old Hotel Richelieu, the Palmer
House were acclaimed throughout the
country and the world. The Wellington,
the Victoria, Grand Pacific, Great North-
ern and the Sherman House and its
College Inn were hailed from coast to
coast as fine examples of the best.

Then came the great change—the cutting
of the Gordian Knot — that bound growth
to the north, especially along the lake.
Only a matter of 35 years ago, the North
Michigan Avenue bridge was opened to
traffic. Now bloomed the spectacular Chi-
cago Skyline . . . the Drake, the Tribune
Tower, the Wrigley Building, the Edge-
water Beach Hotel, and the Miracle Mile.
The projects were matched in the Loop —
to the west and south. The near north
side and the development of the fabulous
Streetsville came into their present glory.
Now Chicago with unmatched facilities is
outstanding in its position as Host to the
Nation.

As a great instrument in the playing of
this role, one concern has provided many
of the fundamentals required to serve the
native Chicago, the traveling public, the
conventions. Out on old 22nd Street (now
Cermak Road) at La Salle Street, Edward
Don & Company has its headquarters.
Here is a concern devoted to serving the
establishments charged with feeding,
lodging, entertaining all these millions of
visitors in a manner befitting the Hospi-
tality of Chicago . . . the Great City.

Edward Don & Co., through the years, has
kept pace with the growth of Chicago.
In its great headquarters buildings, five
stories high and over 750 feet long, are
housed just about all the requirements
needed to equip and furnish restaurants,
clubs, hotels or other institutions cater-
ing with food, drink, and lodging to the
crowds that visit Chicago year after year.

A Chicago concern, born in Chicago, Ed-
ward Don & Co. today is famed through-
out the country. Among the 50,000 items
sold by Don will be found everything
from toothpicks to complete kitchens.

Such service has helped in bringing Chi-
cago to the fore in its role of "Host to
the Nation."



EDWARD DON & COMPANY

Miami 32

CHICAGO 16

Minneapolis 1

of Commerce and Industry launched a drive to make Chicago the trade show capital of the nation—through the Interstate Merchants Council, by organizing and conducting shows which the Association operated until they could be turned over to the wholesalers and manufacturers directly benefited, and by encouraging industries to organize shows on their own.

The Interstate Merchants Council was originally an educational and reduced railroad rate-getting organization. However, around the IMC there were developed the Annual Spring Market Opening and the Annual Fall Market Opening. These openings featured merchandise displayed for sale in hotel sample rooms, exhibition halls and the establishments of the participating members. In time the educational and reduced rate features were dropped because the merchandise exhibits were sufficient to attract large numbers of buyers.

Out of this single activity there developed, in time, 17 trade shows which are now independently operated. The shows, held as a part of

the annual spring or fall market openings, offered related lines of merchandise such as five cents to \$5 items; dry goods specialties; gifts, art-ware and novelties and women's apparel and accessories.

A spring market opening will attract upwards of 18,000 out-of-town retail store owners and buyers to Chicago; a fall market opening, 20,000 buyers.

Largest Shows

It is interesting to note that four of Chicago's largest present-day shows once had the benefit of IMC sponsorship. These are the semi-annual Furniture and Home Furnishings Markets, the annual trade show of the national canned goods industry, the Morrison Hotel Style Show and the Chicago Gift Show.

To almost every trade show in Chicago the Association offers some form of assistance. This may be help in finding accommodations for exhibitors and customers; aid in preparing programs; assistance in a promotional way, or some other practical service.

Twice each year the Association

prepares and distributes a Chicago trade show and business convention list. Manufacturers and wholesalers scan it to determine in which show or shows they can most profitably participate; retailers plan their shopping trips by it. The British Board of Trade, in London, and its West German counterpart, request copies of each new list. They use it to aid their local firms in discovering shows in which they may want to participate.

There are many Chicago companies whose entire sales force consists of one or at most three or four salesmen who manage booths at four or five trade shows a year.

Sales at the semi-annual furniture markets are said to be sufficient to keep 70 per cent of the nation's furniture manufacturers busy six to eight months in the year. A single women's apparel market may keep dress, coat and suit manufacturers busy for the next seven to twelve weeks.

Chicago is the capital of the sales incentive business—the stimulator of sales by offering merchandise prizes to salesmen. Incentive organizations with headquarters in Chicago do about \$25 million gross business annually. They include Belnap & Thompson, and Robert Coles. Belnap & Thompson maintains in the Palmer House a "private home" completely furnished with prize merchandise.

There are trade shows in Chicago for almost every item listed in the census of manufacturers. They cater to practically every type of customer including retailers, wholesalers, manufacturers, institutions, office schools and colleges. Some trade shows are restricted to manufacturers only; others to wholesalers only; others make participation available to both.

While no one has ever attempted to determine the total dollar business done annually at Chicago trade shows, their contribution to the annual sales of manufacturers and wholesalers is enormous. They are substantially to local employment and purchasing power, and the expenditures of the visitors while en route to Chicago and while they benefit a wide variety of other businesses including transportation agencies, service establishments, hotels, restaurants and places of amusement.

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State Bonded, Sprinklered thru-out, Good floor loads
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INTERNATIONAL CELLUCOTTON PRODUCTS

COMPANY



Pride in the product . . . That is the creed upon which our company was built. That is the principle which first evidenced itself in 1921—the year Kotex sanitary napkins were born. And this original pledge to quality has been our constant guidepost during the development of other ICP products . . . Kleenex* tissues, Kotex* belts, Delsey* toilet tissue.

Pride in the city . . . We have been proud to grow with Chicago, for the success of our products owes many thanks to this fine city. So just as we look to a greater future for our products, we look with confidence toward a tomorrow in which Chicago has grown even greater in stature. We know this will be true . . . and it will make us proud, just as it will all of our fellow citizens.



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for over a quarter of a century, engineers and manufacturers of a complete line of industrial filtration equipment.

Over 100 types of filters in the Sparkler line

Specialized filters for

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Plating Solutions	Swimming Pool Filters
Beer & Whisky	Municipal Water Works
Food Products	Hydraulic Oil
Milk & Butterfat	Petroleum Products
Varnish & Lacquers	Fuel Oil
Deep Frying Fat	Gasoline

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Service representatives in principal cities of U.S.A. and foreign countries throughout the world.

Bates & Rogers Construction Corporation

GENERAL CONTRACTORS

Established 1901

600 West Jackson Boulevard

Chicago 6, Illinois

Waterways

(Continued from page 248)

sheds, covering 240,000 square feet, three grain elevators with a capacity of five million bushels each; a 1,000-foot bulk dock and an oil dock of equal size, with railroad yards and tracks, all to be located at the southeast end of Lake Calumet. The Board hopes to start construction not later than the spring of 1955, and to have the terminal completed within 12 to 18 months. All the facilities will be leased to private operators to be operated as public terminals.

Lake Calumet was selected for the initial improvement because of its strategic location. Situated six miles downstream from the mouth of the Calumet River, it is accessible to masted deep-draft Great Lakes and overseas vessels and to barges from the inland waterway system. Further, it is one of the few remaining areas in the Chicago region where large tracts of land are available for industrial development.

The volume of traffic on the Illinois waterway today is approximately where engineers estimated it would be in 1980.

Among the principal commodities moved by barge on the waterway are coal, petroleum products, sand and gravel, grain, sulphur, and iron and steel.

Practically all the coal originating in central Illinois and is carried by rail to Havana and Liverpool, Ill., where it is transferred to barges for movement to the electric generating plants in the Chicago region. Sulphur originates in Louisiana and Texas and moves up the Mississippi to Chicago where a considerable tonnage is transferred to lake vessels for eastbound movement. Most of the grain shipped to Chicago is loaded from rail to barge between Naples and Lockport, Ill.

The effect on Chicago of the terminal facilities planned for Lake Calumet, the widening of the Chicago Sag channel and the Chicago Sanitary and Ship Canal, and the development of the St. Lawrence Seaway, cannot help but add to Chicago's waterborne commerce. If on the most conservative forecasts prove accurate, these projects, taken together, will also have a far-reaching influence on Chicago's Commercial and industrial growth.

Why Pay More?

When You Get The Best For Less . . .



The Torrens System of holding title to real estate in Cook County is the safest, most economical and conclusive since 1899.

ATTENTION: Vacant property owners should consider seriously the merits of registering the land under the

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*** JOSEPH F. ROPA ***
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OVER
350,000 PARCELS
 OF REAL ESTATE NOW REGISTERED UNDER
 THE TORRENS . . . SAFE . . . SURE . . . ECO-
 NOMICAL SYSTEM.

FROM SAND DUNES TO STEEL

(Continued from page 45)

steel products such as the forged railroad axles of Standard Forgings Corporation, the variety of pipe and tubing turned out for many industries by Nikoh Tube Company, a division of International Rolling Mill Products Corporation, the pipe and pipe fittings of Taylor Forge & Pipe Works, and Chicago Steel & Wire Company's wire and staples.

Signode Steel Strapping Company and the Gerrard Steel Strapping division of U. S. Steel specialize in the manufacture of strapping used for every packaging need from the small carton to the securing of heavy loads on flat cars.

Warehouses Vital

A vital part of the steel industry is the warehouse where literally thousands of different kinds, sizes and shapes of steel, and many other metals, are available for quick delivery in lots ranging from pounds up to many tons.

The warehouses are of particular value to the untold thousands of companies that do not buy steel in sufficient quantity to order it direct from one of the big steel mills. However, the warehouse is valuable also to the giant companies when they need a relatively small quantity of some special alloy, or perhaps a few, structural beams.

Largest of the nation's steel warehousing firms is Joseph T. Ryerson & Son, Inc., a pioneer company founded in Chicago in 1842 and now a subsidiary of Inland Steel. Ryerson operates nationwide, with 16 warehouses. Other major warehousing firms headquartered in Chicago include A. M. Castle & Company, U. S. Steel Supply division of U. S. Steel; International Rolling Mill Products Corporation, Lapham-Hickey Company, Lafayette Steel Corporation, Standard Steel & Wire Corporation, Central Steel & Wire Corporation, Jones & Laughlin Steel Corporation, and many more.

It is hard to realize that Chicago's tremendous steel industry had most of its development within the lifetime of many men still living, even though the city's steelmaking history goes back to the Civil War. The first steel railroad rails ever

rolled in the United States were produced in the spring of 1865 by the North Chicago Rolling Mill, a predecessor of U. S. Steel, on the site of one of the company's present warehouses just north of Goose Island on the Chicago River.

But, it wasn't until the turn of the century that the steel industry really got rolling. Chicago's oldest presently operating steel company, Inland Steel, came into being in 1893 when a Cincinnati iron merchant, Joseph Block, brought his family here to see the World's Fair. He became more interested in a bankrupt rolling mill than in Little Egypt and the Gay Midway. With a son, Philip D., the elder Block helped organize a new company—Inland—to take over that defunct mill. Facilities at Chicago Heights were established for rolling railroad rails, and in the first year 5,600 tons were produced.

When the Lake Michigan Land Company in 1901 offered a 50 acre site at Indiana Harbor, Ind., to anybody who would build a steel mill, Inland grabbed at the chance. For a time, though, there was some question as to whether or not the company could raise the necessary one million dollars.

First Steel Ingots

On July 21, 1902, the first steel ingots were poured at Indiana Harbor from one of the company's new 40-ton open hearths. Inland was on its way toward a plant which is expected to reach the five million ton annual capacity mark by January 1, 1955.

At the same time that Inland officials were hunting for capital to finance their mill, a much bigger financial transaction was being engineered by another Chicagoan, Judge Elbert H. Gary. He foresaw the advantages of an integrated steel company that would dig ore from its own mines, haul the ore in its own boats, melt it in furnaces using its own coal and limestone, and roll the ingots in its own mills.

His dream was behind the combination of eight companies into United States Steel Corporation in 1901. From 1903 until his death in

1927, Judge Gary served as chairman of the board of that corporation.

One of the biggest mills in the new company was the South Works at Chicago, a facility built in 1881 by the North Chicago Steel Company. South Works has been called the "personality mill" of the industry and the "mother of steelmen" by veteran steelmakers.

Wherever you go in the steel industry today you find men in positions who passed their apprenticeship at South Works. They speak with affection of the old mill that still ranks second largest in the country with its 5,470,000 ton capacity.

Bigger Mill

But, Judge Gary had dreams of an even bigger mill for the Chicago area, and, in 1906 teamsters moved onto a 9,000 acre stretch of dunes along a 10 mile shoreline at the southern tip of Lake Michigan. Six years and \$80 million later, U. S. Steel's new Gary works, and a new city, Gary, Ind., were complete. Today that mill is the world's largest, with an annual capacity of 117,000 ingot tons, and it is a show place for steelmen from around the world.

At the start of the century, International Harvester Company, even then a major farm equipment producer, also had integration on its mind. In 1903 Harvester purchased the Calumet Iron & Steel Works on the west bank of the Calumet River. This mill had been built in 1875 by the Joseph H. Brown Iron & Steel Company, then sold in 1882 to Calumet Iron. A few years after Harvester's purchase, the mill's name was changed to the Wisconsin Steel Works.

The mill now has a one million ton annual ingot capacity, with production mainly concentrated in billets and bars.

Republic's Chicago district plant traces its origin to a tack factory organized in 1883. The company prospered, and in 1902 and 1903 it constructed two open hearths and a rolling mill at 118th street near the Calumet River.

In 1916, Interstate Iron & Steel Company of East Chicago purchased the tack company. Four open hearths, a bar mill and a billet department were added. Shortly after

"YOUNGSTOWN" IN THE CHICAGO STORY

"Expansion and Modernization"—that is the story of The Youngstown Sheet and Tube Company and its thirty-one years in the great Chicago District.

In 1923 "Youngstown" purchased The Steel and Tube Company of America which had an estimated annual capacity of 635,000 net tons of steel ingots produced by approximately 2,350 workers. Today, we have almost 10,000 employees in the Chicago District, an increase of over 400 per cent. Our capacity for production of steel ingots at Indiana Harbor is now 2,676,000 net tons, an increase of over 2,000,000 tons.

Our new facilities completed early this year at Indiana Harbor in East Chicago include—a battery of 75 coke ovens, a 1450-ton blast furnace (one of the world's largest), eight 275-ton open hearth furnaces, a 45-inch blooming mill, a cold rolled sheet mill and millions of dollars worth of buildings, machinery and equipment.

This most recent expansion, started in 1950, is "Youngstown's" pledge to the future growth and prosperity of the Chicago area. Working together with the people of the Chicago District, we look ahead with confidence and enthusiasm—this is the "Youngstown" story.

EXPANSION AND MODERNIZATION IN THE GREAT CHICAGO DISTRICT



THE YOUNGSTOWN SHEET AND TUBE COMPANY

EAST CHICAGO

YOUNGSTOWN

Manufacturers of
Carbon, Alloy and Tool Steel
SOUTH CHICAGO

the property was sold to Central Alloy Steel Company, Massillon, O. When Republic Steel Corporation was created in 1930, Central Alloy was among the firms that combined to form the nation's third largest steel company. Thus, the South Chicago plant went into the Republic fold.

Seamless Tube Mill

Today, this plant has 1,232,000 tons annual capacity, producing such items as seamless tubing, wire, billets and bars. Operations were rounded out in 1953 when a seamless tube mill was put into production. One of the most modern mills of its type, it is also the first in the Republic organization. It has a capacity of 180,000 tons a year in sizes up to 9 $\frac{3}{8}$ inches outside diameter.

Youngstown Sheet & Tube's mill at Indiana Harbor, located next to Inland's property, was constructed in 1916 by Clayton Marks, a Chicago industrialist. Subsequently, it was merged with three other companies into Steel & Tube Company of

America, then sold to Youngstown in 1923.

Almost from the time it acquired the mill, Youngstown has been improving and expanding it. During the years 1924 to 1928, the first major expansion was carried out. Installed were a new blast furnace, the tin plate and bar mills, ore bridges, sintering plant, additional open hearth furnaces, a large blooming mill, a 54-inch continuous hot rolled strip and sheet mill, and a cold reducing mill.

In 1950, a new modern continuous weld pipe mill was built. Subsequently the company's biggest expansion program was launched, lifting capacity to 2,676,000 tons.

Following World War I a revolution took place in the national economy, and Chicago area mills played a part in bringing it about. Henry Ford Sr. and his Model T proved that the automobile was no longer a plaything for the rich. Factories sprouted for the mass production of radios, washing machines, vacuum cleaners and other consumer goods.

Industry clamored for steel and more steel, preferably in sheet and

strip form. Old hand-operated sheet mills, with workers laboriously manipulating heavy sheets with tong, couldn't even begin to meet the demand.

Challenge Met

Chicago mills met this challenge in the late 1920's and the early 1930's with the continuous wide strip mill and the cold reducing mill. One of Inland's continuous mills, completed in the early 1930's produced the widest sheets up to that time. Thanks to the foresight of the mills in this area, plenty of sheet steel was available when the appliance industry switched from the old wooden ice box to the all-steel refrigerator, and from the ponderous iron cook stove to the steel range.

Ever since that May day in 1880 when the first steel rail made in this country slid from O. W. Potter's North Chicago Rolling Mill, Chicago has been making important contributions to the industry.

It was John H. Glidden, a farmer from Kalb, Ill., who in 1873 used a coffee grinder and a grindstone

LASKER BOILER & ENGINEERING CORP.

BOILERMAKERS

and

STEEL PLATE ENGINEERS

Lafayette 3-3700

CHICAGO (8)

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Manufacturers of Boilers, Built-in Superheaters, Tanks, Smokestacks, and General Steel Plate Construction.

Lasker Water Tube Boilers Are Built in Inclined Tube Types of Two, Three and Four Drum Types, Built to Any Pressure or Size Desired.

Suitable Designs Can Be Obtained for Low-Head Room for Small Power or Heating Plants.

Workmanship, Fuel Economy, Low Upkeep, Circulation and Superiority of Design are the Distinctive Features of These Boilers.

Estimates Will Be Furnished on Request.

duce the first barbed wire. Pioneers, spilling over the western plains now could fence their homesteads and open new agricultural land. Moreover, a tremendous new market opened for the Bessemer steel of the day.

U. S. Steel's South Works has been particularly aggressive in pioneering developments. It was at South in 1907 that enterprising engineers installed the first reversing motor on a 30-inch Universal Mill, revolutionizing rolling mill practices. The first large scale electric furnace facilities in America were installed here in 1909-1910.

In 1910, too, a South Works engineer sketched the design of a waste heat boiler that could be built on an open hearth. The first such unit was installed on South's No. 26 furnace in No. 2 plant. Shortly after, another alert South Works engineer designed a sloping back-wall in an open hearth furnace, increasing its capacity. The entire industry grabbed that idea quick. South also pioneered in the development of

alloy steels, and was one of the first plants to mass produce them.

In 1926, Inland Steel's plant became a mecca for industry steelmen when it completely electrified its operations according to plans developed by a young Westinghouse engineer, Wilfred Sykes, who joined Inland and later became its president. Sykes also served with distinction as president of the Chicago Association of Commerce and Industry for two terms of one year each. Inland generates its own electric power, and is the only major steel company that does so. Now it is pioneering in the use of oxygen in open hearths to step up steel production. Consensus in the industry is that oxygen steel-making may be the next major technical development. Currently, the Indiana Harbor plant is consuming 160 tons of oxygen daily. It obtains the gas through the steel industry's only oxygen pipeline from the adjacent plant of a supplier.

Recently, Inland switched its entire galvanized sheet making to the new method whereby sheet goes through zinc pots in a continuous

automatic process, like newsprint goes through a press. Formerly sheets were dipped in pots, a slow process that resulted in an inferior product as compared with the new method.

"We are the first mill in the industry to go 100 per cent to the continuous galvanizing process," says Joseph L. Block, Inland's 51-year-old president.

Electrolytic Tinning

The first commercial electrolytic tinning line in America was installed at U. S. Steel's Gary Works in 1937. Prior to that time tin plate was made by dipping steel sheets into pots of tin. With the new process there is a 60 per cent saving in tin. Were it not for the economical electrolytic process, canned goods might have disappeared from store shelves during the last war. It saved enough tin to stretch the available supply over another 4.5 billion tin cans.

Gerrard Steel Strapping, a U. S. Steel division, has pioneered in de-

CHICAGO, 1954...

1 Partnership in Progress

In 1903, when Commonwealth Edison installed a General Electric turbine in Chicago, an era of mass production of electric power began. Developments over the years have made today's turbines up to 50 times as powerful as their early prototypes.

General Electric has been an active partner with utilities and industries in helping Chicago to progress and grow over the last half century. A charter member of the Chicago Association of Commerce and Industry, the company has its internationally-known Hotpoint home appliance division located here. General Electric looks forward to the next years of partnership in progress with Chicago.



Pictured above at the G-E plant at Schenectady, N. Y., is the nation's first "large turbine" — the 5000-kilowatt unit installed in Commonwealth Edison's Fisk Street station in 1903. Below is a section of one of the latest G-E turbines on the Edison system — a 150,000-kilowatt unit at the Ridgeland station.



Progress Is Our Most Important Product
GENERAL ELECTRIC

veloping ingenious industrial packing processes using steel strapping. During World War II Army officials sought Gerrard's help in solving the damage problem involved in dropping supplies by air to paratroopers. Boxes frequently would hit the ground and bounce 30 feet into the air. Sometimes they would fly apart. Even when boxes held together the contents took a beating.

Gerrard engineers devised a method for, securely strapping a specially designed wood box. Tests showed the strapping would hold the box intact as it hit the ground, yet have enough elasticity to absorb the shock.

Postwar Expansion

In the postwar period the Chicago steel industry went through its biggest expansion period. U. S. Steel alone spent about \$500 million and Republic estimates that since 1947 it has spent more than \$60 million. Inland Steel's capacity was raised from 3.1 million tons in 1940 to 4.7 million tons at the start of 1954.

Moreover, another 300,000 tons of capacity is being added this year, through improvements in present facilities.

One of the biggest expansions since early in this century was that at Youngstown's Indiana Harbor works where capacity was doubled in the last two years. Additions included 75 coke ovens, a 1,450-ton blast furnace (one of the largest in the world), eight 275-ton open hearth furnaces, a 45-inch blooming mill, a seven-building modern cold reduced sheet mill, soaking pits, a stripper building, and a 3,400-foot tunnel 200 feet under ground for supplying lake water to the plant.

The new facilities, completed in early 1954, give Youngstown's Chicago district plants almost 50 per cent of the company's entire steel making capacity. A company official said: "The principal reason for the expansion and modernization at Indiana Harbor is its favorable geographic location within a growing market area."

This belief in the future of the Chicago District is shared by other

steelmen. "As America grows, the Chicago plant of Republic Steel Corporation will grow with it, promises a Republic official.

Looking ahead, Joseph L. Block Inland president, says: "There will be a tremendous growth in demand for flat rolled products. The country will require more and more sheet and strip to care for expanding markets in the automobile, TV, appliance and other consumer field. That is where the market lies."

He leaves no doubt that he expects Inland and the other Chicago district mills to play an important part in developing these expanding markets.

Edward C. Logelin, vice president of U. S. Steel, is equally optimistic. "I believe that Chicago's future is exceedingly bright," he declares. "United States Steel Corporation has a stake in that future because of the investment it has made in the area. The fact that we employ 54,000 people in the area and that our two largest steel producing plants are located here is evidence enough that we have faith in the continued development of Chicago. We are looking forward with Chicago and the Midwest for many years to come."

Largest Expansion

In the six-county metropolitan Chicago area served by these mills there are over 14,000 manufacturing plants of all sizes, with total employment of over a million. Industrial expansion in this area during the following World War II was the largest of any section in the nation with a total of \$2.7 billion poured into industrial projects from July, 1940, through 1953. The bulk of the expansion has been in the metropolitan working field — in industries that consume a lot of steel. Expansion in 1954 is continuing at a record pace too.

Chicago is a growing city with the growth curve showing no signs of leveling off. That is why steelmen appear to be on firm ground when they contend that Chicago's leadership in steel production will increase even more in the future. No other city seems capable of challenging Chicago, for no other city has so many favorable factors for steel mill growth.

BEST WISHES

HERMAN
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PRESIDENT



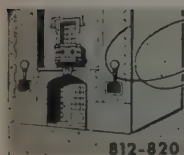
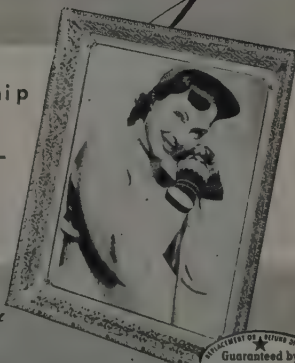
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Good Housekeeping
IN USE AS ADVERTISED THEREON

TRUCKING

(Continued from page 40)

oper-Jarrett, Denver-Chicago Trucking, Hayes Freight Lines, Transamerican Freight Lines, and Consolidated Freightways.

Today 10,000 trucks roll in and out of Chicago on an average day. Each carries an average of 20 tons of freight. That freight may be steel from the city's mills, canned goods from a food warehouse, merchandise from a mail order house, or any of thousands of other commodities.

No other city in the world can equal the amount of truck traffic that moves in and out of Chicago. According to some trucking experts, 90 per cent of all the freight hauled by trucks in the country is carried by lines that serve Chicago.

Tote up the value of the many trucks operating on the city's streets and you get a \$90 million figure. Include suburban trucks and you get another \$27 million. Chicago area truckers employ more than 200,000 people and have an annual payroll of \$820 million, reports the Central Motor Freight Association, a state-wide association of truckers. Within the city limits of Chicago alone you find 140,000 in that employment and \$570 million of that payroll.

Speedy Service

Trucks now move on fast, dependable schedules. Overnight service is provided to cities within a 400 mile range, such as Detroit or St. Louis. Thirty-three hour service is provided in New York City. Haulers to the West Coast offer fourth morning service on full truckloads and five six day service on small loads.

Teletype connections link intercity terminals so that a shipper can keep track of his loads at all times. Two-way radios link local delivery trucks with home terminals so that no time is lost routing units to shipper docks for freight. Modern M billing and control methods are found in the spacious offices of the major long distance haulers. Even the small carriers no longer keep their accounts on the back of an envelope, as it was rumored they did only a few years ago.

At Spector Motors' new 72-door terminal on the south side of Chicago, handling is 100 per cent mechanized, with powerful fork lift trucks minimizing damage and expediting the movement of freight from shipper to consignee.

Where once a shipper had to worry about taking a loss in case of highway accident, theft or for some other reason, today truckers accept their responsibility to customers. Insurance of \$300,000 to \$500,000 per catastrophe is common, and many truck lines carry even higher guarantees. Pacific Intermountain Express, for instance, now carries insurance of \$3 million per catastrophe, enough to provide shippers with protection for virtually any cargo.

Chicago Historical Society records show that in 1904 police in Evanston arrested six motorists for speeding ten miles an hour in an eight mile an hour zone. No mention is made anywhere of trucks.

"It wasn't until 1908 or 1909 that I saw my first truck on a Chicago street," says Howard L. Willett, Sr., president of the Willett Company. His firm was the first for-hire company in Chicago to use trucks in its operation, after purchasing 30 Autocar, White, Kelly-Springfield and Mack trucks in 1912.

Prior to World War I there wasn't enough of a trucking industry to designate it as such. Nearly all long distance hauling was done by railroads, with an assist from river and lake boats. Local hauling was done by wagon and team.

Freight moved into Chicago to two major distribution points, the Market and Madison street market and the South Water street and Michigan avenue market near the present site of the Michigan avenue bridge.

Any day in the week these two areas were the most congested in Chicago. On South Water street, wagons stood backed against curbs in a continuous line. Horses waited patiently while swearing teamsters piled freight into wagon boxes. To get through you scrambled over packing cases, across barrels and around teams.

Workers on the docks and wagons had no standard wage. Whatever they received was dependent on how their employers happened to feel when payday rolled around.

Business ethics were virtually unknown. Sellers tried to pawn off adulterated coffee, liquor, molasses, sugar or anything else. Buyers thought nothing of agreeing to a deal, then callously shifting their business elsewhere. Many teaming companies doctored freight bills upward as a matter of course.

Wrong Conclusion

When the first ball bearing wagons were introduced in 1910, teams began pulling loads of 14,000 pounds, a 5,000 pound increase over the previous peak. Many people in the teaming industry were convinced then that the motor truck could never compete successfully. The few trucks then in service on Chicago streets were owned by stores and business establishments for their own hauling; firms like L. Wolff Manufacturing, which in 1911 purchased the first truck built by the Diamond T Motor Car Company. This Chicago-built chain-drive truck hauled freight on city streets for 20 years.

In 1913 the Arthur Dixon Transfer Company celebrated its 50th anniversary, and it was just about that time that the company bought its first truck. Other for-hire operators also began purchasing a few trucks to supplement their horse and wagon operations, but streets were so rutted that trucks could be used only over certain routes. As late as 1920 the Willett Company was feeding 650 horses.

Barney Cushman, president of Cushman Motor Delivery, tells of taking a load of lumber from Chicago to Chicago Heights in 1917, the first load for his single truck line. "That was long distance trucking in those days," says he. "The round trip took all day and I wasn't sure I was going to make it." Coming back he had to stop to light his kerosene headlights.

World War I gave trucking a shot in the arm. Thousands of trucks did a good job hauling supplies for the Army in France. Fleets of trucks appeared on city streets.

After the war, surplus Army trucks were sold by the thousands, providing a nucleus for many a

trucking company. Meanwhile, motorists clamored for better roads for their black tin lizzies. In the early 1920's state after state caught the spirit of the good roads movement and a network of paved and improved roads spread across the country.

Over-the-road truckers cautiously pushed their routes out from Chicago to Waukegan and Milwaukee, to Gary, and to Rockford. Nevertheless, trucking in the 1920's was primarily a local cartage service. And in local cartage service the horse still was far from obsolete.

"We got rid of our last horse in the late 1920's," says George W. Dixon, grandson of the founder and now president of Arthur Dixon Transfer. "As late as 1928 or 1929, local cartage companies still had an idea that it was cheaper to make local deliveries in the loop by horse and wagon."

It remained for the pneumatic truck tires perfected in the late 1920's to give over-the-road trucking the impetus it needed. Cushions of air protected both the truck and its cargo from jolts while per-

mitting double the speed of the vehicle with hard rubber tires.

By the time the depression started, roads were available and the industry had the trucks for over-the-road hauling. Only acceptance by shippers was needed. The depression provided that.

Merchants, fearing to sink money into inventories, wanted to buy goods in small quantities. Conscious shippers wanted the cheapest transportation available. Trucks seemed to fill the bill, for most truckers owned their own units and could slash a rate on the spot to suit a shipper. Moreover they were willing to take a load anywhere at a moment's notice, so desperate were they for business. It was a period of dog-eat-dog competition, with no rate regulation to hamper the rate cutting. Not until 1935 when the Interstate Commerce Commission moved into the field to regulate motor carriers did order emerge from the chaos.

One-Truck Start

In this period many of the country's biggest truck lines got their start, usually from a one-truck operation. Rogers Cartage Company is a good example. Prospects for this line weren't too bright on that day in 1933 when it began operation with one tractor and a tank trailer. It was a period of bread lines and closed factories. Walter F. Mullady, several years out of Loyola University, was brash enough to think that he could make a living hauling petroleum products for the oil companies in the area.

When a call for the first load came through, Mullady ordered his driver out. The driver, eager to impress his new boss, stepped on the gas and the truck roared forward. Too late the driver noticed the brick wall in front of him. There was a loud crash and a rending of steel. A smashed radiator steamed as an apologetic trucker stepped from the wreck. It looked for a while as if Rogers Cartage would perish before ever it had a chance to haul a single load. But, the truck was repaired and sent limping on its way.

More loads followed. Earnings went back into another truck, then another. Today Rogers Cartage has

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In the preparation of steel engraved Bank Notes, Bonds, Stock Certificates, Letters of Credit, Travelers Cheques, Revenue Stamps and other documents of monetary value, the paramount considerations are responsibility and trustworthiness, as well as superiority in skill and workmanship.

Steel engraving continues to be the recognized medium for providing the ultimate in protection to financial documents to be safeguarded against fraudulent reproduction.

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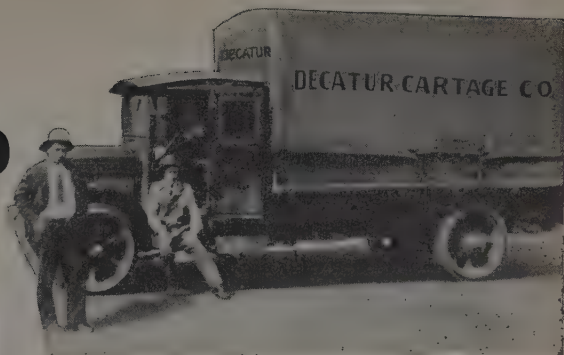
New York

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JOHN MULLADY HAD A TRUCK and look what happened

Now there are modern DECATUR trucks and ROGERS Tank Trucks everywhere midwest . . . hundreds of the most up-to-the-minute types . . . efficiently moving mountains of merchandise and oceans of Bulk Liquids daily for scores of firms whose names comprise a veritable "Who's Who in Industry." AND there are adequate terminals strategically spotted all over the region . . . each constantly teletype-interlinked with Chicago headquarters. AND there is organization . . . a vast army of long-experienced traffic engineers, expeditors, dispatchers, pilots . . . equipped with every new and proven method and system designed to promote safety, speed and precision in every day's work. AND . . . sparking it all . . . there is John B. O'Connor, Board Chairman; and Walter F. Mullady, President . . . whose combined zeal and dynamic fealty to their ideal of "Service beyond the call of duty" has developed here two of America's outstanding industrial transportation firms . . . and another remarkable Chicago story!



DECATUR CARTAGE COMPANY

1934 WENTWORTH AVE. CHICAGO 16

ROGERS CARTAGE COMPANY



JOHN B. O'CONNOR
Chairman of
Board



WALTER F. MULLADY
President

a fleet of 600 tractors and 400 tank trailers hauling petroleum products from the Gulf of Mexico to Chicago and throughout the East. It is the second largest truck petroleum hauler in the world.

Mullady also "has interests in Texas-Arizona Motor Freight, Arrow Transportation in Oregon, Rutherford Freight Lines in Virginia, and Decatur Cartage, Chicago.

Another line started on a shoe-string was Spector Motor Service, founded in 1932 by Ben Spector and John Krabbe. Today Spector Motor operates 679 trailers and 564 tractors, connecting Milwaukee, Chicago and St. Louis with the East.

Traded Car

Mid-States Freight Lines is another line with humble beginnings. It was in 1933 that Cecil Vernon, a young Topeka, Kansas warehouse superintendent, traded his car on an old truck. He hired a driver and ran his one unit truck line on the side while holding down his regular job at the warehouse. Today this firm, with headquarters in Chicago since 1942, operates in 12 states from New England to Kansas. It has a fleet of about 1,500 trailers and tractors.

From its one wagon start, Arthur Dixon transfer has grown to a local cartage line operating about 130 trucks and tractors and several hundred trailers, servicing local shipments for the Illinois Central, The Grand Trunk Western and the Chicago, Burlington and Quincy railroads and for any shipper who wants a local delivery. Willett has developed into one of the country's largest local operators, with 1,500 units in its fleet. Other companies report similar stories of tremendous growth, with no sign yet that this growth may be halted.

World War II gave trucking another shot in the arm. Millions of trucks moved vital freight for the armed forces, with the Chicago gateway serving as a major center in the accumulation and distribution of these cargoes.

But it has been in the nine years since the end of the war that trucking has enjoyed its greatest growth.

In this period the Chicago area trucking industry quadrupled in size. Vast new trucking terminals sprouted in the industrial areas of the south and west sides—buildings that cost from \$250,000 to \$1 million and contain every modern freight handling device usable in a truck terminal.

Spector's south side terminal is so modern that truckers from other cities come just to study its scientific operations. It is completely air-conditioned, has special IBM equipment, teletype, control panel room, parking grounds, and a tri-level office. This terminal can handle more than 2.5 million pounds of freight a day.

The Western avenue terminal of Pacific Intermountain Express is one of the largest. It's a 56 door operation and cost \$670,000 when erected a couple of years ago. Eastern Motor Express, Liberty Trucking, Mid-States and Shippers Dispatch are just a few of the other companies that have constructed big terminals in this area in the last few years. Norwalk Truck Line recently purchased property for construction of another mammoth terminal and at least two other major lines are considering the expansion of their properties.

Faith in Future

These construction programs indicate the faith these lines have in the continued growth of the industry. Chicago promises to become an even more important trucking center in the future. Here many important highways from the east, west, north and south come together, and it serves as a focal point for the newest gimmick truckers have developed to help shippers—the interchange of trailers.

Truck lines now interchange big 35-foot trailers about as railroads exchange boxcars. No longer need truckloads of freight be unloaded from one unit and loaded into another when it takes two or more truck lines to complete a delivery. The load can go straight through in the original trailer.

"We now have interline agreements with 133 carriers at Chicago," says John Sheely, director of inter-

line traffic for Pacific Intermountain. "We interchange 135 to 140 units a month at Chicago."

Fast refrigerated trucks have helped bring about the frozen food revolution of the last few years. Estimates are that over three-fourths of all the frozen food moving to Chicago consumers comes by truck. In the short space of eight years, trucks lifted their share of frozen fish movements from New England to Chicago from 18.7 per cent to 95 per cent.

Haul Autos, Livestock

Nearly 85 per cent of the live stock coming to Chicago yards now are carried by truck. Practically all the automobiles delivered to auto dealers in the area arrive on big auto trailers.

Today there are trucks for virtually every hauling purpose. Big vans carry dry freight; long tank trucks carry chemicals, petroleum, milk, and other liquids; open-topper trailers lug grain or cattle; flat bed trailers carry steel. One of the most specialized operations is that of Brinks, Inc., founded here in 1855. The heavily armored Brinks money trucks serve about 2,000 cities and towns through 91 branches in the United States and Canada. They transport about one billion dollars daily.

Millions of dollars are being spent on new equipment by the trucking industry. Riss & Company, the nation's third largest truck carrier, recently placed a record \$14 million order for 500 diesel tractors and 1,300 trailers.

Carroll J. Roush, president of Roadway Express, another major over-the-road carrier serving Chicago, believes the trucking industry is on the edge of even greater growth.

"Records topple with great regularity in this industry. I know truck operators who figure that if they aren't constantly topping last year's figures by a wide margin they're losing their shirts! Never has an industry had a more specific or clear bid to do a big job in building this country, even recalling the first years of the railroads," says Roush.

*“Come and show me another city,
with lifted head singing, so proud
to be alive and coarse and
strong and cunning.”*

CARL SANDBURG'S "CHICAGO"

Our history dates from 1879. We are privileged to share with Chicago a pride in its growth, vitality, and stability.

Our phenomenal success in the insurance industry is due in large part to the success of the Chicago business community. We have issued one policy to Chicagoans for each ten residents. Our premium income is at the level of \$125,000,000 annually. Our assets exceed \$60,000,000, of which one-fourth is capital and surplus.

We compliment the Chicago Association of Commerce and Industry as a champion of the system of free enterprise—that dynamic force which has contributed so much to our growth, vitality and stability.

BANKERS LIFE & CASUALTY COMPANY

CHICAGO 30, ILLINOIS

Labor Pool

(Continued from page 35)

in manufacturing had the highest average weekly and hourly earnings in the nation for June, 1954. Their weekly pay averaged \$79.27, as against the state average of \$76.20 and the national average of \$71.68. Their hourly pay averaged \$1.98, as compared with the state average of \$1.91 and the national average of \$1.81. The work week in both the Chicago area and the state as a whole averaged 40 hours.

Weekly salaries of women workers in office occupations in the area ranged from \$47 for routine file clerks to \$72.50 for general secretaries, according to an occupational wage survey of the U. S. Bureau of Labor Statistics. For men, the range was from \$48.50 for office boys to \$81 for top-grade accounting clerks. Leader draftsmen averaged \$130 weekly, and senior draftsmen \$99. The survey found also that most of the firms sampled provided some form of supplementary benefits. These included paid holidays and vacations, and health, insurance and pension plans.

Chicago area workers, like those in the rest of the nation, enjoy the world's highest living standards. A heterogeneous group of melting-pot origins, they have been largely assimilated into the cultural and economic life streams of the city. The BLS reports that workers of today have more income, more job security, more buying power, more schooling, more leisure time and more ways to spend it, than did those of 50 years ago. The bureau adds that, in the last 50 years there has been more than a doubling of real earnings and income, as distinct from dollar income.

How did Chicago area workers fare early in the century? The Illinois Department of Labor estimates that Cook County had a population of 1,838,735 in 1900. This included a labor force of 750,000 workers—125,000 of them women. In those days, the average Chicago worker earned from \$12 to \$14 for a 16-hour-a-day, six-day work week.

Pay scales had climbed somewhat by 1904, especially for building trades craftsmen. The Building Construction Employers Association of Chicago reports, for example, that in 1904 painters had an hourly wage

rate of 40 cents. The rate was 56 1/4 cents an hour for pipefitters, plasterers and structural iron workers.

Current basic hourly pay scales, plus the amounts employers pay into health and welfare funds negotiated by unions in recent years, are: Painters—\$3.12 1/2 cents, plus 7 1/2 cents an hour for welfare benefits; pipefitters—\$3.22, plus seven cents an hour for welfare benefits and ten cents for pensions; plasterers—\$3.40, plus 22 1/2 cents for welfare; structural iron workers—\$3.30 plus five cents for welfare.

In the last half century, the number of women workers has kept pace with the booming industrial and commercial economy of the Chicago area, rising from an estimated 18 per cent to about 30 per cent of the total work force.

How women augmented the work force between 1910 and 1950 in Cook County is shown by the following table of the Illinois Department of Labor:

Year	Population	Labor Force	Women Workers
1910	2,405,233	1,000,000	200,000
1920	3,053,017	1,250,000	250,000
1930	3,982,123	1,750,000	400,000
1940	4,063,342	1,875,547	546,032
1950	4,508,792	2,067,046	657,997

Twentieth century employment of women, before World War II, was limited mainly to sales and office work, light manufacturing, food processing, needle trades, book binding, and certain professional occupations. But because of manpower shortages on the home front during World War II, hundreds of thousands of women were recruited for essential jobs in heavy industry. Rosy the Riveter appeared soon after Pearl Harbor.

Employers discovered that women were competent as operators of boring mills, punch presses, milling machines, watchmakers' lathes, and even at arc welding. Women worked in foundries as casting cleaners, machine coremakers, finishers and polishers. They took swing shifts on assembly lines, inspected electronic parts for war equipment, drove battery-powered trucks inside plants for material cartage, and tackled other jobs usually in the domain of men. In some communities they drove the taxicabs and streetcars.

Today Rosy's younger sisters help

make machinery whirr in many Chicago area mills and factories, toiling side by side with men, in grim dungarees or overalls. New or modernized plants often are styled especially for the comforts and conveniences of women employees. Women have won new status as workers. They are recognized as a vital part of the labor force, both in terms of current employment and as an expandable reserve supply, to be tapped in national emergencies.

Labor's drive for recognition, better working conditions, higher wages and legislative benefits traditionally have been accompanied by unionization drives.

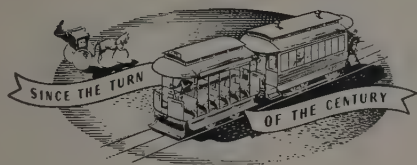
Labor organization in Chicago dates back to the 1850's when immigrants from European cities formed clubs and societies among tailors, carpenters and wagoners. The groups were forerunners of the craft unions, which in turn gave rise to present big industrial unions.

The state federation, organized mostly in opposition to contract convict labor, had its founding convention in Chicago on March 26, 1888, in Seamen's Hall, at what is now W. Randolph street.

Trades Council

The Chicago Trades Council was launched in 1877. Two years later, after internal controversy over the issue of admitting secret societies to membership, the council disbanded only to reunite under the banner of the Chicago Trade and Labor Assembly. This group reorganized November 9, 1896, as the Chicago Federation of Labor, central body for unions here of the American Federation of Labor.

In 1900 the CFL represented through a handful of affiliates, an estimated 70,000 workers, most of them belonging to crafts. Six years later, according to CFL annals, the organization rid itself of the leadership of Martin B. (Skinny) Madd and elected John Fitzpatrick, horseshoer, as its president. Fitzpatrick served as president until his death September 27, 1946, except for one year, 1908, when Charles J. Dold was chosen president. Known as the "Grand Old Man" of Chicago labor, Fitzpatrick aided early organization work among clothing, packing and steelworkers. He is credited with keeping the CFL free of Communist



P & A was founded in 1901 when Chicago's skyline was low and cable cars traveled its main streets. It was the maiden effort of a young company toward a definite goal—leadership in serving advertising agencies and national advertisers with their plate and mat requirements.

From the start through the present the history of Partridge & Anderson reveals continuous growth. The acquisition of numerous advertising accounts supplemented with a parallel increase in plant personnel necessitated the move to larger quarters. Three moves in all. Keeping abreast of the times was important to this company toward the attainment of its goal. This policy resulted in the adoption of vinylite molding, pressure casting and the direct pressure method for molding mats.

Yes, P & A has gone a long way since the modest start in 1901. It has realized its fondest hope, for today it serves a worthy clientele of advertisers—it operates the cleanest and most modern plant in America.

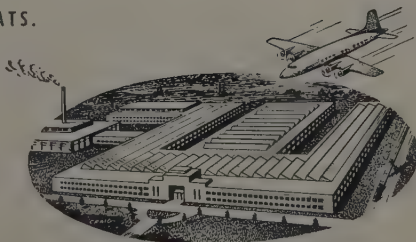
PARTRIDGE & ANDERSON COMPANY

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VINYLLITE MOLDED ELECTROTYPES, NICKELTYPES.

MATS, PLASTIC PLATES, R. O. P. COLOR MATS.



nist influences and leading a fight against labor racketeers. Fitzpatrick's teammates included the late Edward Nockels, CFL secretary, and the late Victor A. Olander, secretary-treasurer of the state federation.

Truman Cicero Bigham, in a thesis, "The Chicago Federation of Labor," wrote in 1925:

"The labor field in Chicago, as elsewhere, was marked by rapid extension of organization and the growth of the trade agreement. The estimated increase in trade union membership in the United States was from 444,500 in 1897 to 865,400 in 1900.

"Chicago labor experienced a similar success. The increase in membership continued after 1900. With slight setbacks in 1905, 1915, 1921 and since, trade union membership

in Chicago has steadily grown and during the war period (World War I) showed an increase almost as remarkable as the years 1897-1900, and in absolute numbers much greater."

The state and Chicago labor federations helped win many legislative benefits for Illinois men and women workers. Enlightened employers supported the programs. While the first factory inspection law in Illinois had been passed in 1893, a more effective measure was passed in 1904. And in 1907 a state Department of Factory Inspection was established. This became the Division of Factory Inspection when the Illinois Department of Labor was set up in 1917.

The first effective child labor law was passed in Illinois in 1903 after a legislative commission found that children worked in Chicago dry-

goods stores nine to 15 hours a day at wages of \$1.75 to \$3 a week.

The first Illinois Workmen's Compensation Act went into effect in 1912. A second act, effective in 1913, was amended by subsequent session of the General Assembly. It was made compulsory in 1917.

In 1909 a law limiting the work day for women to ten hours was passed. It paved the way for the present eight-hour state law for women which became effective in 1937 and covers most branches of employment.

Other Illinois legislative milestones were: A minimum wage law for minors and women (1933); the Illinois Health and Safety Act (1936); and the Unemployment Compensation Act (1937).

Most of Chicago labor has rejected the ideologies of socialist groups. It is a paradox that while the city was in early times the spawning ground for some radical organizations, they were unable to gain more than a nominal following in the area.

The IWW was dealt a knockout blow when in 1919 when more than a hundred of its leaders were found guilty of criminal syndicalism by Judge Kenesaw Mountain Landis in the United States District Court.

Today the Chicago Federation of Labor, claiming more than 500,000 members, is the dominant labor organization of the area. The Cook County Industrial Union Council, affiliate of the Congress of Industrial Organizations, claims 300,000 workers. An estimated 100,000 workers are members of independent unions.

Chicago labor has progressed steadily in the last half century. Simultaneously, its relations with management have become more stable with maturity. Unions have joined with management in carrying on apprenticeship training programs to replenish the supply of trained workers whose ranks are being depleted by death and retirement.

Many labor groups in the area have constructed their own buildings. Modern structures, some equipped with auditoriums, recreation centers and libraries. Other groups have established education and health centers. And one group—the Chicago Joint Board of the Amalgamated Clothing Workers of America (CIO) operates a bank.

To the New Chicago!



OUR heartiest congratulations to the Chicago Association of Commerce and Industry on your helpful guidance and inspiration over the past half century, to the city which is known today throughout the world as the *New Chicago*—great in size, great in commerce, great in culture—great in the dynamic determination of its people to build a city worthy of the greatness of America.

We are proud to be part of Chicago's present and the *New Chicago's* future.

CELOTEX
REG. U. S. PAT. OFF.

THE CELOTEX CORPORATION

120 S. LaSalle St., Chicago 3, Illinois

Aviation

(Continued from page 41)

products of an industry which is overhauled and surpassed American steel and automotive behemoths as the nation's industrial giant. Military procurement heads do not know the national picture say Chicago's share of the billions of dollars being spent monthly in the vast preparedness operation in which aviation spending has become, represents as high a percentage as there is for any one section of the country.

All this of course, is by way of contrast with the beginnings of the industry.

The start of it all, as with so many modern marvels, was curiosity stirring the mind of one man. In the case of Chicago this man was Chanute. Semi-retired from an exceptionally busy and successful life as a bridge builder, railroad constructor, harbor and dock creator, Chanute had both time and funds to indulge his orderly inquiring mind,

and he freely spent from both. He acquired a library of material on flying—largely accounts and tabulations (which later turned out to be wrong) from haphazard experiments by European daredevils like the German Lillienthal, who killed himself in glider trials.

Test Flights

By 1896 Chanute was building models of kites, gliders and other potentially man-carrying winged contraptions. These were tested in some 2,000 "flights" or "glides" in the soft sand of the Indiana dunes on Lake Michigan's shore. Most of these trials were inconclusive and Chanute, who was not able to fly himself, could not make the most of the efforts—although he remained an acute and discerning observer. One thing he did pin down through these empirical researches: the form which a light but strong structure

necessarily worked in wood and cloth, should take.

He made one other major contribution—through papers, books, and lectures made before engineering groups he stirred up curiosity and hope in others. At the time the mere lending of his name—as a great and respected engineer who firmly believed there was a future to flying—was a major contribution in itself. This he did by public and private appearances in the United States and abroad and by a voluminous correspondence with other experimenters.

A small part of his correspondence was with Wilbur and Orville Wright of Dayton, O. These two, at the time undistinguished bicycle manufacturers, first approached Chanute in their own quest for all available written material on flying. They continued to correspond with their venerable and respected colleague as their own work progressed. Chanute brought the Wrights to Chicago to speak before an engineering society when, for the first time, the Lillienthal tables for

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Over the past 78 years Mercil has had the good fortune to become one of the old industrial landmarks of Chicago. Three generations of the same family have attempted, and we think succeeded, in making the name synonymous with good plating.

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Mercil congratulates the Chicago Association of Commerce on completion of 50 years of service to industry.

May all of us continue to grow and become stronger and maintain the same high ideals as in the past.

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drag and lift (basic properties of airplane wing sections which distinguish the efficient and useful from the inefficient and useless) were publicly challenged.

The Wrights' assertions that these painfully gathered calculations of the world renowned Lillienthal, enshrined by his death, were incorrect, merely brought amused reactions from their hearers. Not until years later did the skeptical attendants at this — one of the first Wright lectures on aviation — recall the

challenge and acknowledge the correctness of the challengers. Nevertheless this is one more link between Chicago and the early aviation story. The Wrights were many times afterward to appear at Chicago engineering dinners and, in the second decade of the 20th century, at this city's first regular airport.

Chanute died in Chicago in November, 1910, when he was 78 years old. He had lived to see the Wrights perform the miracle of powered

flight and become the toasts of Europe and England, as scientists inventors and the leading airplane pilots of that day. Although there was a period when considerable coolness developed between Chanute and the Wrights, the brothers publicly acknowledged assistance from the grand old man of Chicago.

The first real flying in Chicago was done by teams of stunt and exhibition fliers from the rival camp of the Wrights (their first exhibition flying was their original source of revenue in the United States) and that of Glenn L. Curtiss, the No. 1 manufacturer and close follower into the air of the Wrights. This was in 1909 and 1910. Meantime the Wrights had been flying in France, Germany, England, and had sold the first airplane to the United States government.

Aeronautical Club

Walter R. Brookins, one of the few very early pilots still living made a flight in a Wright biplane from Washington park, then as now a horse racing establishment, at Springfield, Ill. This was for a \$10,000 prize put up by the Chicago Record-Herald, in September, 1910. The introduction of flying to the public was so successful that an Illinois Aeronautical Club was formed with the late Harold McCormick of the harvester family as its principal backer. The club, as a civic project arranged the great lake front meet of 1911.

This was conducted from Grant Park during the period August 13-20, 1911. Average daily attendance was "at least 250,000" according to reports of the time. Wide public interest in aviation by Chicagoan continues today, as military open houses in 1954 at the air force base at O'Hare international airport, west of Park Ridge, and at Glenview Naval Air Station west of Evanston, have proved. Unquestionably, interest aroused by the 1911 show, and the 1912 meeting which followed, had a part at least in influencing Chicago financiers, manufacturers and service groups to invest funds, effort and time in subsequent aviation programs here.

Although it is not widely remembered, the two big air meetings created temporarily an "aviation Mecca" in this city. The Aero Club

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of the great city of Chicago ... to have contributed
to Chicago's fame as the manufacturing center
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Chicago Printed String has kept pace with
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bought a tract of land near Burke's
rickyard—2200 south and 4400
est, in an area now occupied by
omes. This was Chicago's first
al airport. And here, in 1912, 1913
nd the summer of 1914, came some
of the world's most famous aviators,
om France, England, Turkey, Bra-
l, Canada, as well as the United
ates.

Stunt Repertoire

The names mean little now.
leader of the lot, however, was
"Linc" Beachey, a cocky, morose
le man who, with his comrades
orked out almost the entire stunt
epertoire used today. These airmen
ere flying machines which had per-
aps 10 to 15 miles an hour of air-
eed with which to play. If you got
o miles too fast they might well
me apart in the air. If you got a
ttle too slow they would stall and
ash. Yet Beachey did tight turns,
most vertical dives, loops, rolls.
ombinations of these are all that
e normal fixed wing plane can do
oday—except that today's planes
ave enormous power, will climb

vertically for thousands of feet and
are almost impossible to stall once
normal cruise speed is reached—no
matter what the maneuver at-
tempted.

Orville Wright (Wilbur died in
1912 of pneumonia), Glenn Curtiss,
Glenn L. Martin, the top military
aviators, and all the various air-
plane manufacturers came to the
Chicago field. The Mills brothers of
Chicago were manufacturing air-
planes in a south side site. Booking
agents for flying acts—dive bomb-
ing, wing walking, stunting, what
have you—made the Chicago air-
port their center.

And then came the war in Eu-
rope. All the foreign pilots went
home to become "Knights of the
Air." Some of the men trained in
Chicago headed aviation sections
for great powers. In Chicago the
hangars were emptied, the office and
primitive pilot housing quarters be-
came still. When America entered
the war in 1917 some of the Chi-
cagoans who had been busy here be-
came important figures in the first
army air corps. One of these,
notably, was the late R. W. (Shorty)

Schroeder, who broke into flying as
the chief mechanic for Catherine
Stinson, one of the very first lady
stunt pilots. Catherine learned to
fly here herself and later taught her
brothers—among them Eddie Stin-
son who designed and test flew his
own airplanes. Eddie died after a
crash in 1935 on the Jackson Park
golf course while demonstrating one
of his latest models. He ran out of
fuel while returning to Midway air-
port.

Stimulated by War

But that was a long time after
World War I. The war stimulated
aviation by producing new models
of aircraft, reliable (by the day's
standards) engines, and thousands
of trained pilots. Before it was over
the army air corps was flying mail
along the east coast cities—Wash-
ington, Philadelphia, New York
City, Boston, and in May, 1918, the
postoffice department took over to
fly the mails itself.

The air mail runs were extended
to Chicago in 1919; initially from
Chicago to Cleveland, then Cleve-

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land to New York. Chicago-San Francisco did not come until 1920, but after a demonstration of coast to coast flying in 33 hours the first federally lighted airways were created by congressional fiat. The airmail had arrived.

It was always the pilots' and aviation enthusiasts' idea that passengers would be carried soon after the mails were flown. Actually it was almost 1928 before adequate airplanes were available. The first mail planes were modified war craft with open cockpits, very little cargo room and no passenger seats. A few hardy persons — among them the late Will Rogers of theatrical and movie fame — used to "mail" themselves along with the bags of letters.

Chicago's first mail operations were conducted from Grant Park, but soon moved to Maywood. The field there was on ground now occupied by Hines Veterans hospital. Hangars, servicing and refueling facilities, runways, windsocks, and lights were installed, and the place was the center for Chicago flying until May, 1926, when on the southeast corner of what is now Midway

airport, the first "Chicago Municipal field" was opened. The transfer was made in order to accommodate the first civil contract mail fliers as distinguished from the postoffice air-mail service which had been active up to that time.

Mail Contracts

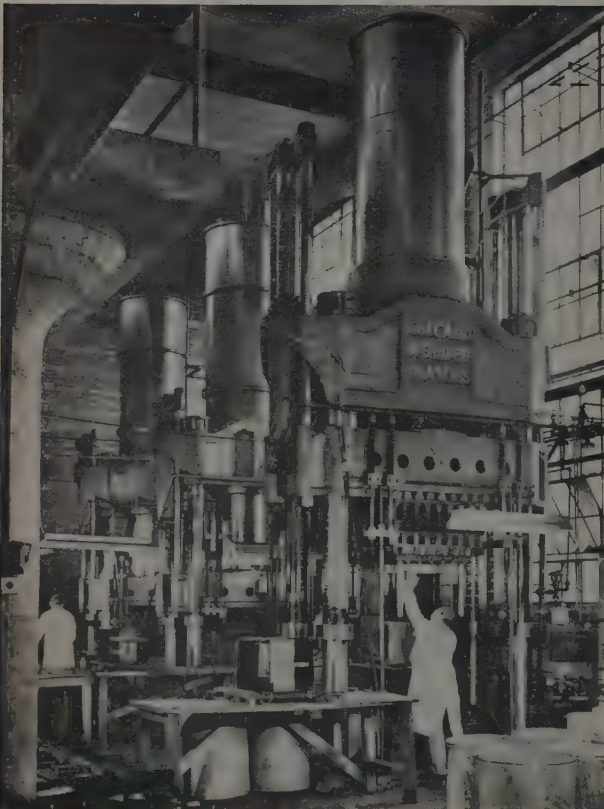
The granting of mail contracts to civil aviation companies was a long step toward the gigantic passenger carrying system which has mushroomed within the United States today. The importance of it was not at once apparent, because the civil contractors, too, lacked the proper types of passenger vehicles.

Charles A. Lindbergh, a pilot on the Chicago-St. Louis run for an aviation company, took care of this detail in the summer of 1927. Lindbergh, who thrice made parachute jumps when he penetrated too far into soupy Chicago weather, turned promoter. He got a St. Louis group to back him financially and had a west coast plane builder put together a cabin plane for a trans-Atlantic hop.

This success story is too well known to be carried any further — except that Lindbergh's cabin plan inspired a number of designers and plane builders to create other machines in which the pilot and some passenger seats were enclosed. This was the first step toward passenger comfort.

Lindbergh's magnificent exploit also — almost overnight — turned the entire American public to air-mindedness. And so the railroad reached tentatively into the air transport field. The first air passenger service between Chicago and New York was a daylight flight part way, followed by a night Pullman ride. It wasn't long before the Pullman part of the trip was discarded.

Then for 15 years the milestone were concerned with new planes: more ground aids to navigation, more speed, and the development of staffs of professional air transportation executives. There came the low wing, retractable gear monoplane, Boeing 247s and 147Ds and the DC-2s and DC-3s. Chicago's little 220 acre airport was too small, an



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has recently developed and is now marketing a new type of high-gloss styrene-rubber sheet. It can be inexpensively vacuum-formed into products that range from refrigerator door liners to three-dimensional point-of-purchase displays.

CHICAGO MOLDED PRODUCTS CORPORATION

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the next big step by the city was to quadruple the area by removing a road track and paving 5,000 foot landing strips—more than doubling lengths hitherto available.

World War II gave aviation a far greater boost than did World War I. The air carriers and the air services spread world wide airlines. Four engine passenger planes proved their safety, economy, reliability, and schedule regularity. Thousands more of trained aircrews became available, millions more rode planes and found them comfortable, speedy transportation. Since the ending of hostilities passenger travel jumped at least by one million persons every year.

During World War II the Chicago manufacturing area came into its own aviation-wise. Plants here turned out thousands upon thousands of engines, propellers, complete airplanes, plane parts of every description, electronic devices, instruments, and armament. The government condemned 1,200 acres of land in suburban Park Ridge, and named it Orchard airfield. Here

the Douglas Aircraft Company of Santa Monica, Calif., built a vast wooden plant and turned out C-54 airplanes (the type that became the basis for all of today's high speed four engine aircraft). An enormous pool of aviation trained labor was developed here.

Jet Powered Planes

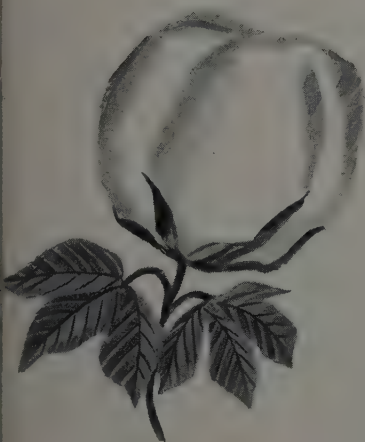
German and British pure jet powered airplanes that saw service at the end of World War II also had a terrific effect upon the air carrier industry of the United States. For efficient jet operations it was necessary to pressurize cockpits and cabins so planes could fly high without discomfort for the crews.

The same principle was carried over into the civil aircraft. By flying high, speeds could be increased. A plane that could indicate 220 miles an hour at 5,000 feet, would travel 300 miles an hour if it could be operated efficiently at 20,000 feet. Soon Constellation and DC-6 airliners (first pressurized types in passenger

service) were using Midway airport's runways. These aircraft were heavier than earlier planes, needed more runway length for landing and still more for taking off with full passenger loads and maximum fuel.

By 1947 Chicago was eyeing Orchard field as a second major airport—to take some of an ever-growing load of air traffic off the limited field bounded by 55th street on the north, 63rd street on the south, Cicero avenue on the east and Central avenue on the west. When Orchard field was declared surplus by the Defense Department Chicago obtained control of 1,088 acres. And around this nucleus Chicago planned to create the world's largest terminal—a 7,000 acre field with from six to ten runways, each more than 8,500 feet in length. The new super terminal would have capacity for 360 airplane landings and take-offs in one hour—more than five times the capacities of the older south side field.

As this project developed, patriotic Chicagoans decided that both



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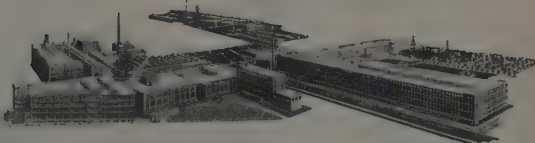
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airports should be renamed for World War II heroes or battles. The south side field was duly christened Midway airport — a name considered especially appropriate because of the great Pacific victory at Midway island in 1942, and because the field is midway of most of the national airways. The north side port — still under development to this day, and as yet without a single scheduled plane operation by civil passenger and mail carriers — was called O'Hare International

field after the late gallant navy airman, Lt. Cmdr. "Butch" O'Hare.

As of the fall of 1954, air traffic at Midway field has reached a saturation point. There are just over 700 daily scheduled air carrier flights and several hundred privately owned or corporation owned and operated planes moving there. In bad weather this concentration of traffic, actually at the rate of a plane landing or take-off every minute of the day or night, becomes hopelessly snarled. Despite new

electronic devices, radar, and beams of electric energy to guide pilots, the jam is too great to continue.

Early in 1955 the first scheduled flights will be transferred to O'Hare and these will be followed, progressively, by more. In time it is expected that Chicago will be using both airports to capacity.

It is a matter of record that in the past five years Chicago's Midway airport has been the busiest in the world. At Midway almost as much traffic is moved daily as at all three New York fields. And it is growing. In the first nine months of 1954 there was a recorded 5,560,12 passengers from scheduled planes at Midway — with at least another million expected in the final quarter.

New factors which will have tremendous influence upon Chicago aviation trends in the next decade are the growth of corporation flying and helicopters. There are five times as many corporation airplanes as there are airline craft.

A helicopter contractor now carries airmail to 44 Chicagoland communities in the rotary winged craft. The next step will be to lift passengers too.

Needs of the corporation air operations caused Chicago to open, after thirty years of trying by airmen — a downtown field, on North Island. This is filled land created when the 1933 Century of Progress exposition was built. In 1947, under pressure from many aviation groups, the city council built a 2,800 foot runway on the island and installed a passenger terminal. This field has come to have an average of more than 5,000 plane movements a month, and many aviators have called it "the best dollar investment in aviation ever made by the city of Chicago."

It was named Meigs airport after Merrill C. Meigs, long the chairman of the Chicago Aviation Council and a veteran flier himself. Meigs led the fight in the city council to create the airport and today is one of its best users. He boasts that the downtown field has the highest percentage of business passengers of any airport in the world. Plans now are afoot to extend the runway length to 3,600 feet and permit landing there of several of the recently developed short-haul "feeder" airlines now serving smaller towns throughout the nation.

"...land your aircraft"



Think of it, 50 years ago the "flying machine" had just been born! Even in 1912, when our business began, airplanes were still flimsy kites flown only by daredevils!

Today, giant airliners landing at Chicago's great Midway Airport are "talked down" in perfect safety during adverse flying weather with the help of GCA—Ground Controlled Ap-

proach—another modern miracle made possible by electricity.

We here at Hyre have done all kinds of electrical work during our 42 years, but we are especially proud of the GCA system we installed at Midway because it enabled us to play a part in keeping Chicago ahead. Chicago is our town—a great city—and we like to see it stay ahead in every way!



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CANDY

(Continued from page 48)

roduces about ten per cent of the milk and packaged chocolates and candies consumed in the United States, not counting candy bars. The company's main factory has about 200 acres of floor space. In a year each may use as much sugar as is produced by 20,650 acres of sugar beets, corn syrup from 2,250 acres of corn, milk from 750 dairy cows, and 20 cargoes of cocoa beans.

Mars Inc., the biggest manufacturer of chocolate coated bars, has been in Chicago since 1928 when construction was started on its plant near Oak Park. The late Mr. and Mrs. Frank C. Mars, the founders, were in the candy business as far back as 1910, however. They started with the purchase of a confectionery taffy pulling machine and sold their product at country fairs in the state of Washington. Another Chicago candy maker, J. J. Holloway & Co., started in

1920 with \$500 worth of second-hand machinery. The company's caramel suckers now are the leading product in their category.

Some of the most famous and colorful names in the candy industry were born in Chicago in the 1920's. Oh Henry, the leading product of the Williamson Candy Company, bowed in late in 1920. Baby Ruth, made by the Curtiss Candy, followed a year later.

Famous Names

Oh Henry was named after an electrician who was a frequent customer of a small candy store, across from the Morrison hotel on Madison street, opened by George Williamson in 1914. When the electrician, named Henry, walked into the shop, the girl employes would exclaim "Oh, Henry!"

It was not the baseball home run king Babe Ruth who gave his name

to that famous candy bar. The name was selected in honor of Grover Cleveland's daughter, Ruth, who was born in October, 1891, and died in childhood. Otto Schnering, who started the Curtiss firm in 1916, also was born in October, 1891.

Schnering, who was graduated from the University of Chicago in 1913, started out selling pianos. He shifted to the bakery goods and bulk candy business three years later and opened in a rented shop on the near north side, naming it after his mother, Helen Curtiss Schnering.

Other Chicago bar makers include the Schutter Candy Company and the Walter H. Johnson Company, who at one time were together as the Schutter-Johnson Candy Company. Schutter is owned now by the Universal Match Company. It was started some 33 years ago by Robert L. and George M. Schutter. The company's best known product is probably the Old Nick candy bar.

Walter H. Johnson worked for a candy company in Iowa before coming to Chicago as a salesman.

We've grown up together...



Scene pictures one of our earliest locations
—on Lake Street—as it appeared
more than 100 years ago.

When Prairie Farmer was founded in 1841, Chicago, in the heart of rich prairie soils, already was becoming a great center of agricultural commerce.

Fed by countless thousands of cattle and hogs driven overland by foot-weary stockmen, Chicago's packing plants thrived. Corn, wheat, oats and other grain crops found a ready market, and railroads developed almost overnight to transport them. Allied industries and financial institutions sprang up, rooted in agriculture, the source of Chicago's greatness.

Prairie Farmer is proud of its contribution to the growth and development of Chicago—the heart of the Agricultural Capital of the World.

PRAIRIE FARMER

1230 W. Washington Street Chicago, Illinois

He joined forces with the Schutters and then founded his own company in 1925. He developed a popular bar called Power House in 1934.

A big Chicago confectioner who, like Otto Schnering, started with other products, "was the late William Wrigley Jr., whose gum company now is the world's largest. Also in the chewing gum business in Chicago is Leaf Brands, Inc., founded in 1929 by Sol S. Leaf. It leads in production of candy coated gum sold thru vending machines. Leaf came to Chicago in 1921 from New York City where he had manufactured candy on a small scale.

William Wrigley Jr. came to Chicago in 1891 and began selling soap, a product he had sold from a basket at the age of nine in Philadelphia. To increase soap volume he began offering a can of baking powder with each sale to the store trade. Then he decided to get into the baking powder business. To boost sales of baking powder he began offering chewing gum as a premium.

Again the premium was more in demand than the product he was

selling and Wrigley decided the chewing gum business had a future. The company's first offices consisted of two rented desks. The corner stone of the Wrigley building was laid in 1920.

World War I is given credit for one of the biggest changes in the confectionery industry. Manufacturers began making candy bars for the convenience of army post exchanges and the soldiers began eating large quantities of candy. Previously, many adult males had consumed candy surreptitiously, if at all, since it was considered to be for women and children. The soldierly example changed that and manufacturers came out of the war with a vastly enlarged market.

In World War II, 10½ billion pounds of candy were made. The armed forces took 6.4 billion pounds, a large share of which was made in Chicago.

The United States Army in World War I provided capital to open one Chicago candy store. Andrew Kaneloš, owner of Andes Candies, accumulated army pay and discharge bonus amounting to about \$1,500

and with it set up his first candy kettles. Kaneloš, who once operated a newsstand at 63d and Halsted streets, now owns 49 shops, the largest chain in the city.

There are some 652 confectionery shops in Chicago, some with kitchens in the back, others with large kitchens in factory buildings. Ten major chains include Dutch Maid, Fannie May, Dittmar's, Cupid, I Met's, Joy, Mrs. Snyder's and Mrs. Steven's.

The late Mrs. Snyder started her business 43 years ago. Before she got the courage to venture into the loop, she made and sold candy in a small school store in her neighborhood. The first Snyder shop downtown was in the back of a peanut store on State street, where the candy sold on a commission basis. After two years the peanut operator decided he wanted the space so Mrs. Snyder moved to a nine foot wide shop on Dearborn street.

The Mrs. Steven's chain was founded 28 years ago by Julia Steven, who now is Mrs. Walter Krafft. She lived near Wheaton and first persuaded a baker in that suburb to display and sell her candy. Later, when she took samples to Chicago, the manager of a drug store in the North Western station tasted her candy and sent her to the company buyer. The drug store company was absorbed by a chain with its own candy kitchen, but Mrs. Steven got a State street store to order 1,000 three-pound boxes.

There are 14 companies with plants and offices in Chicago that handle confectioner's equipment: candy wrapping machines, sugarcandy sanders, revolving pans, chocolate pumps, and sizers. Thirty-seven companies supply such things as vanillas, extracts, colors, oils, boxed shelled nuts, or candy cups.

The confectionery industry operates in an extremely competitive field. Many techniques, processes, and even machines, are kept as secret as possible. The candy makers do have one thing in common, however, a blend of the richest, most mouth watering aromas anyone ever inhaled.

When the wind is right many Chicago blocks are covered with the pleasing odors. To be in the middle of them all, the National Confectioners' Association has its headquarters in Chicago.

"Powerhouse..."

Chicago's

Candy!

POWERHOUSE and the WALTER H. JOHNSON CANDY COMPANY are products of Chicago. From the time the company was founded to the present, we have felt that our products and our packages have reflected some of the Dynamic Chicago Spirit. There is no grander feeling in the world than the "Feeling of Belonging." We belong to Chicago... are a part of its tremendous growth... a part of its wonderful future.

WALTER H. JOHNSON CANDY CO., 4500 W. Belmont Ave., Chicago, Ill.

Retail Trade

(Continued from page 37)

the city enough property to large State into a broad avenue feet wide. Then he went out looked for tenants, bringing in ny of the men whose names today orn the street's most famous es. A few years later, when the Chicago Fire gutted State street from end to the other, loans from mer helped many of these firms reopen.

By 1900, State street had arrived, and except for Goldblatt's and Sears, the largest stores still on the street were already there. But State street's attraction to the shopping public was different 50 years ago. As one

elderly resident puts it: "In 1900, you bought food and medicine in the neighborhood where you lived; you bought just about everything else on State Street."

Doing a flourishing business on or close to State street at the turn of the century were many retailers of great stature, including several established before the 1871 fire. Among these were C. D. Peacock, the city's oldest retailer, founded in 1837; Sargent Drug Store, 1852; Carson Pirie Scott and Co., 1854; Mandel Brothers, 1855; Tobey Furniture Co., 1856; Jerrems, Inc., and W. W. Kimball Co., 1857; L. Fish Furniture

Co., 1858; A. Bishop and Co., and Stebbins Hardware Co., 1860; Charles T. Wilt and Co., 1862; Denison's and Lyon and Healy, 1864; Chapin and Gore, and D. Lelewer and Sons, 1865; John A. Colby and Sons, Rehman Hardware Co. and Vahles' Bird Store, 1866; and the John M. Smyth Co., 1867.

The John M. Smyth Co. has become the second largest retail furniture firm in the nation, both in size and in volume of business. Its new store at 12 N. Michigan avenue displays over seven thousand different items on its eight floors, and the firm operates four outlying branch stores. John M. Smyth Jr., one of the founder's four grandsons who own and manage the business, contrasts modern retailing methods with those prevalent around 1900.

"My grandfather," Smyth Jr. relates, "went to Grand Rapids once a year and did all his buying—a year's stock—in a single day. Everything was golden oak, and there weren't many styles. Today, we need a flock of buyers, specialized according to departments, and they function the year around."

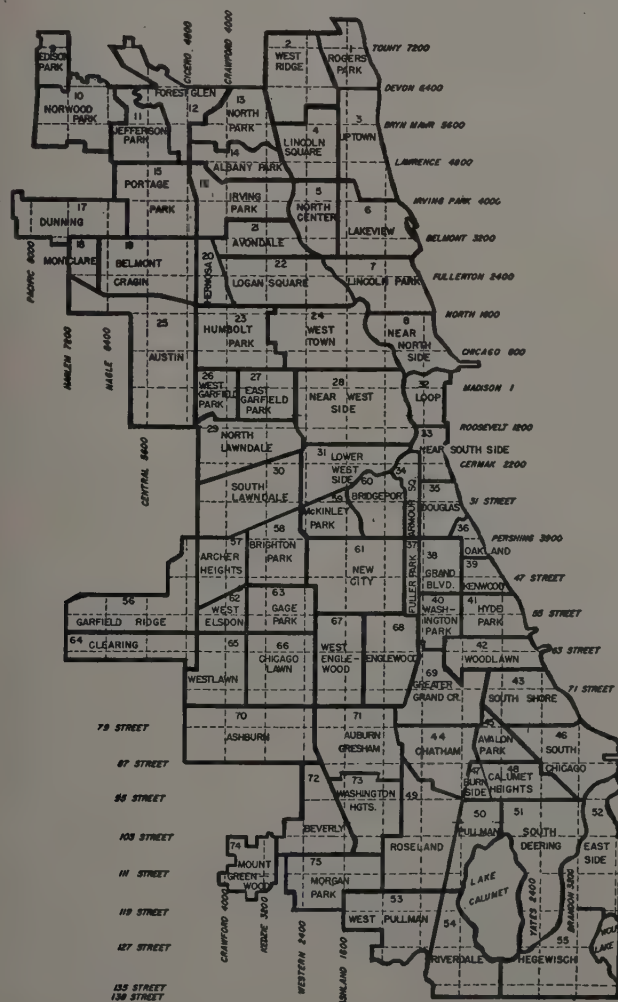
Today, the entire city and its suburbs are liberally sprinkled with stores that stock many of the items to be found in the Loop. The growth of neighborhood shopping has resulted from population growth.

In 1900, 65 per cent of Chicago's million-and-a-half population lived within the area bounded roughly by Belmont, Kedzie, 31st street and the lake. During the next 40 years the city's population doubled, and the largest percentage moved into a four-mile-wide belt that lay, like a horse collar, around the older area. For example, southwest of the Loop, the area bounded by Kedzie, Pulaski, Roosevelt and Madison had 8,600 residents in 1900, and 40,000 in 1940; the area bounded by Clark, Ashland, Irving Park and Lawrence, quadrupled from 10,400 to 47,080 residents during the same period.

Local transit was improved to keep pace with the growing and outward moving population—electric trolleys replaced horsedrawn surface cars, and the elevated system was erected to connect the Loop with points south, west and north.

The result was a boom in retailing throughout the city, including the Loop. Increased distances from State street gave numerous new entre-

CHICAGO'S 75 GEOGRAPHICAL SUBDIVISIONS



preneurs the opportunity to open neighborhood stores and breathe new life into the 50-odd shopping areas in existence around 1910. And the "L" lines brought new crowds of shoppers into the Loop, where retail store rentals tripled in value in consequence.

Today's great retail chains also started around 1910. The Columbia Drug Chain leased some 25 locations at important outlying street intersections in the years between 1911 and 1920. The Walgreen Co. opened its first store in 1901, on the city's south side, its third in 1911. In the next nine years, the three stores grew into 23, and today, of some 400 Walgreen stores throughout the country, 120 are in the Chicago area.

United Cigar Stores, the Great Atlantic and Pacific Tea Company, Wieboldt Stores, Inc., Goldblatt's, the National Tea Co., F. W. Woolworth Co., and S. S. Kresge Co. soon followed the pattern. Land along outlying business intersections doubled or tripled in value.

Loop merchants tackled the new competition on two fronts—they joined it, and they also worked hard at improving traffic conditions in the Loop. Henry C. Lytton and Co. opened the first neighborhood branches of a Loop store in 1927, in Oak Park and Evanston. Field's followed suit, in the same locations, two years later, and The Fair Store opened a branch in Oak Park.

Automobile Arrived

Meanwhile, the automobile had arrived. In 1904, there was one automobile dealer in Chicago; by 1911, there were 26, and S. Michigan avenue around 22nd street was already famous as "automobile row." As early as 1913, Col. William G. Edens, chairman of the Chicago Association of Commerce street traffic committee, and the man for whom Edens Expressway is named, realized the relationship between good roads and good business. This committee was instrumental in speeding traffic through the central business district from an average of four miles per hour to 12 miles per hour by 1920. Other achievements included the eliminating of left turns in 1923; installation of traffic signals in 1926; and prohibition of street parking in the Loop and several other shopping areas in 1928.

The double-deck Michigan avenue bridge over the Chicago river, and the widening of N. Michigan avenue were completed in 1920, simulating a major land boom at the north end of the Loop, including the skyscrapers and fashion salons of North Michigan avenue.

In 1904 the city's total retail trade was estimated at \$350 million. In 1926 Chicago was the site of the nation's second retail census (the first was made the same year in Baltimore), conducted jointly by the Association of Commerce and the United States Bureau of the Census. The 1926 study showed that there were 41,224 retail outlets in the city, with combined sales of \$593 million.

The first study of the geographical distribution of Chicago's retail business was pioneered by the Association and the Census Bureau in 1935, providing an accurate perspective on the growth of neighborhood shopping areas. This study divided the city into its 75 geographical neighborhoods, with the retail dollar sales totals for each. (See map.) The study was refined and brought up to date in 1948 in cooperation with the Chicago Community Inventory. (See table.)

The resulting picture was one of city-wide growth and retail business expansion. Sales had risen to \$4.3 billion for the city as a whole, and the Loop, although its percentage of the total had dropped from 26 to 20.3, enjoyed almost a threefold increase in sales—from \$275.8 million to \$794.5 million. The dollar rise in many neighborhood areas was equally spectacular, although the percentage increase of each area's share in the city total was limited to around one or two points.

When World War II ended, both the older neighborhood stores and State street were faced with a new competitor, the planned off-street shopping center. These new centers are usually built on the edge of the city or in a suburb, in areas growing rapidly in population. Locations are chosen where ample free parking space can be provided. Unlike the older neighborhood shopping centers that grew up store by store, the planned shopping centers contain from the outset a variety of stores to provide "one-stop" shopping.

One of the earliest of these centers is in Park Forest, a planned community 30 miles south of the Loop.

The first unit in the center opened in 1949. In 1953 Park Forest's stores sold about \$18 million worth of merchandise.

A little closer in is Evergreen Plaza, largest of the new centers with 75 stores. Sales for 1954 amounted to about \$10 million. Lincoln Village on the northwest side and the Village Market in LaGrange Park, west of the city, each has 50 stores, and Hometown Shopping Center, a few miles south and west of Evergreen Plaza, has 13. More street merchandising meccas are the works, among them a triangular shaped project near Wilmette; one at Hillside, west of the city, along side the new Congress street superhighway, now nearing completion; and the Scottsdale Shopping Center for which ground was broken in October, 1954, at 79th and Cicero.

Branch Stores

State street's answer to the new shopping centers has been to open branches in some of them, and to spend close to \$70 million modernizing Loop stores. Moreover, under the leadership of the Chicago Association of Commerce and Industry and the State Street Council, Loop retailers have opened an attack on the creeping blight that has sent many Chicagoans to live in outlying areas, and on the Loop traffic jam.

The State Street Council and the Association of Commerce, together with other civic agencies, played a major role in establishing the Chicago Land Clearance Commission, the agency that numbers among its redevelopment projects the attractive new Lake Meadows private housing development on the city's near-south side.

The Council and the Association of Commerce contributed \$30,000 each between 1946-48 for an engineering survey of off-street parking sites in and near the Loop. Officials of the two groups performed much of the spadework needed to get new parking facilities under way. To date, a two-level garage under Grant Park, a multi-level garage on W. Lake street, and off-street space near 63rd and Halsted streets, have been completed. Four more garages in the Loop and four on the north side are under construction, and additional parking lots in other neighborhood commercial areas are on the drawing boards.

The impact of the automobile on Chicago's retail stores has been called by its influence on the city's mail order houses. The automobile not only changed the habits of mail order customers; it changed the mail order market place, transferring much of the business from catalogs to retail stores.

Catalog Firms

Chicago's mail order industry comprises some 500 catalog firms, which account for 93 per cent of national mail order volume. The four largest are Sears, Montgomery Ward & Co., Spiegel's, Inc., and Alden's. Thirty per cent of their catalog customers live in cities of 100,000 or more where, usually, they can purchase direct from one or more of about 1,450 retail outlets operated by the four firms.

Years ago, the biggest mail order firm in the country, and one of the world's largest business enterprises, provided a graphic example of the changes brought by the Fordian revolution. In 1924 Sears' volume amounted to about \$200 million. In

1925 the company opened its first seven retail stores, which sold \$11 million worth of goods the first year. Today Sears' volume amounts to roughly \$3 billion a year, about 70 per cent of it contributed by 700 retail stores across the nation. Another 26 stores, located in Colombia, Mexico, Cuba, Brazil and Venezuela, sold about \$80 million worth of merchandise last year.

The world's first mail order house was established here in 1872 by A. Montgomery Ward. His company, Montgomery Ward and Co., is now the second largest mail order house and operates 590 retail stores. Ward's sales in 1953 totaled about \$1 billion, about two-thirds coming from the retail stores.

Spiegel's was started as a furniture store in 1865 by a civil war veteran, Joseph Spiegel. By the turn of the century, Spiegel's three sons had entered the business, and several branch stores had been opened. The mail order department was founded in 1904. Spiegel's now has about 140 retail stores in 23 states.

Alden's was founded in 1889 in a small loft on Wabash avenue near

Congress street by a young millinery merchant, Sam Rosenthal. Incorporated in 1902 as the Chicago Mail Order and Millinery Company, it became the Chicago Mail Order Company in 1906 and in 1946 adopted its present corporate title. Alden's operates 11 retail stores in various cities and towns in Indiana, Illinois, Iowa and Michigan, and 66 catalog telephone offices in 18 states.

Retailers Optimistic

Chicago area retailers view the future with optimism. Population is still increasing, with an obvious boost to retailing, at the rate of about 35,000 a year. Effective family buying income in the city has jumped from an average per family of \$2,970 in 1939 to \$6,400 in 1953. City retail sales have swelled from \$1.5 billion to \$5.1 billion over the same period. (Sales for the entire metropolitan area were about \$6.9 billion for 1953.)

In good times or bad, Chicago families spend about 58 cents out of each income dollar in retail stores or service establishments. A

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boost of average income to \$7,000, regarded as probable by some economists, would send retail sales in the area soaring to \$8.5 billion.

The city's ever-growing convention and tourist business provides another predictable source of future sales. In 1953, four and a half million tourists visited Chicago and spent \$236 million, a quarter of this in retail stores and much of it on State street.

In the century and a half since the first Fort Dearborn trading post was opened, the center of Chicago's huge retail trade has moved exactly six blocks, to State and Madison streets. And the street's famous merchants predict they'll be doing business at the same stand for at least an equal stretch into the future.

NEIGHBORHOOD RETAIL SALES

Geographic Subdivision	Sales in Millions of \$'s		% of City's Trade Done by Subdivisions	
	1948	1935	1948	1935
1 Rogers Park	\$ 41.7	14.2	1.1	1.3
2 West Ridge	47.8	7.9	1.2	0.7
3 Uptown	137.9	38.4	3.5	3.6
4 Lincoln Square	45.3	11.9	1.2	1.1
5 North Center	36.6	10.2	0.9	1.0
6 Lakeview	134.6	41.9	3.4	3.9
7 Lincoln Park	64.0	18.7	1.6	1.8

8 Near North Side	172.0	42.7	4.4	4.0	42 Woodlawn	65.0	18.5	1.7
9 Edison Park	5.8	0.9	0.1	0.1	43 South Shore	75.7	19.2	1.9
10 Norwood Park	10.4	1.5	0.3	0.1	44 Chatham	26.4	5.6	0.7
11 Jefferson Park	19.1	4.6	0.5	0.4	45 Avalon Park	14.2	3.9	0.4
12 Forest Glen	3.8	0.2	0.1	0.0	46 South Chicago	63.5	12.3	1.6
13 North Park	6.6	1.3	0.2	0.1	47 Burnside	0.5	0.07	0.0
14 Albany Park	37.1	11.0	0.9	1.0	48 Calumet Heights	7.9	1.0	0.2
15 Portage Park	97.6	12.9	2.5	1.2	49 Roseland	55.6	12.1	1.4
16 Irving Park	51.4	13.5	1.3	1.3	50 Pullman	2.0	0.3	0.1
17 Dunning	10.1	1.9	0.3	0.2	51 So. Deering	6.5	0.5	0.2
18 Montclare	17.2	2.9	0.4	0.3	52 East Side	12.8	2.5	0.3
19 Belmont-Cragin	49.9	7.3	1.3	0.7	53 West Pullman	14.8	3.3	0.4
20 Hermosa	10.5	3.3	0.3	0.3	54 Riverdale	2.6	0.2	0.1
21 Avondale	31.0	11.7	0.8	1.1	55 Hegewisch	3.3	0.6	0.1
22 Logan Square	86.4	24.7	2.2	2.3	56 Garfield Ridge	6.2	0.9	0.2
23 Humbolt Park	54.2	15.0	1.4	1.4	57 Archer Heights	4.0	0.6	0.1
24 West Town	132.8	39.5	3.4	3.7	58 Brighton Park	30.7	5.7	0.8
25 Austin	116.2	27.9	3.0	2.6	59 McKinley Park	14.6	4.4	0.4
26 W. Garfield Park	53.5	12.6	1.4	1.2	60 Bridgeport	30.5	7.8	0.8
27 E. Garfield Park	56.8	15.4	1.5	1.5	61 New City	70.3	19.0	1.8
28 Near West Side	200.8	51.5	5.0	4.9	62 West Elsdon	1.5	0.08	0.0
29 North Lawndale	61.0	14.8	1.6	1.4	63 Gage Park	16.8	3.1	0.4
30 South Lawndale	54.0	16.8	1.4	1.6	64 Clearing	8.9	1.7	0.2
31 Lower West Side	44.0	9.2	1.1	0.9	65 Westlawn	4.4	0.6	0.1
32 Loop	794.5	275.8	20.3	26.0	66 Chicago Lawn	69.2	10.6	1.8
33 Near South Side	63.0	22.3	1.6	2.1	67 W. Englewood	37.8	9.3	1.0
34 Armour Square	10.8	2.6	0.3	0.2	68 Englewood	150.2	43.6	3.8
35 Douglas	31.7	6.9	0.8	0.7	69 Greater Grand Cr.	40.4	16.7	1.0
36 Oakland	13.0	2.3	0.3	0.2	70 Ashburn	2.6	0.04	0.1
37 Fuller Park	9.9	3.2	0.3	0.3	71 Auburn-Gresham	49.9	12.4	1.3
38 Grand Blvd.	71.0	15.9	1.8	1.5	72 Beverly	13.6	3.7	0.3
39 Kenwood	24.5	4.1	0.6	0.4	73 Washington Hts.	16.9	3.5	0.4
40 Washington Park	23.9	5.8	0.6	0.6	74 Mt. Greenwood	5.9	0.5	0.2
41 Hyde Park	37.7	10.4	1.0	1.0	75 Morgan Park	6.2	1.3	0.2

Johns-Manville salutes

The Chicago Association of Commerce and Industry

Through an interesting coincidence, the founding of The Chicago Association of Commerce and Industry came at about the same date that Johns-Manville established its important Chicago office to better serve the industries, farms and homes of Mid-America. Looking back over the enormous expansion that has taken place since that time, we at Johns-Manville realize that not only our own progress but the prosperity of the

Chicago area and the country as a whole have all been constantly encouraged by the farsighted planning and thinking of that great institution, The Chicago Association of Commerce and Industry, which in this year of 1954 is celebrating its 50th Anniversary. During that half a century, Johns-Manville has been able to continuously expand its goods and services.

- ✓ Johns-Manville controls heat and cold with insulations
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Chicago's People

(Continued from page 24)

roduced a new areal concept in reporting its statistics for urban areas. In addition to figures for cities, and standard metropolitan areas, the Census also published data for "urbanized areas." In general, "urbanized areas" are defined as central cities together with contiguous built-up areas. In urban population densities, the Chicago urbanized areas had a

population of 4.9 million persons in 1950. Thus, 1.3 million persons lived outside the city but in contiguous, built-up areas including the "suburbs" and the "urban fringe." The importance, population-wise, of the urbanized area is indicated by the fact that 89 per cent of the population of the entire six-county metropolitan area embracing 3,617 square miles, resides in the Chicago

urbanized areas totaling 638 square miles.

In 1850 more than half of the population of Chicago was foreign born. This reflected the heavy immigration which contributed materially to the growth of the United States and particularly of its cities. In 1900 there were some 687,000 foreign born white persons in the Chicago metropolitan area, making up about 33 per cent of the total population.

Between 1900 and 1930 the number of foreign born white persons in the S. M. A. increased by more than 400,000 to reach a total of 1,094,000. The proportion of foreign born in the total population of the area decreased, however. In 1930, when the peak was reached in the absolute number of foreign born as reported by the census, they constituted about 23 per cent of the total population. With the decline in immigration after the passage of the Immigration Exclusion Act in 1924, and the continuous operation of mortality, the number of foreign born white persons in the metropolitan area has decreased since 1930. By 1950 the number of foreign born had declined to about the 1900 level and they made up only 13 per cent of the total population.

Foreign Born Declining

In 1850 there were only 323 non-white persons in Chicago, making up about one per cent of the total population. By 1900 non-white persons in the Chicago Metropolitan Area exceeded 35,000 and constituted two per cent of the total. By 1920, however, largely as a result of the demand for labor to man World War I industries and the virtual cessation of immigration because of U-boat warfare, the number of non-white, mainly Negroes, in Chicago had tripled the 1900 figure and made up four per cent of the total population of the metropolitan area. With continued industrial expansion during the '20's the flow of non-white in-migrants continued. Between 1920 and 1930, non-white persons more than doubled in number and by 1930 they constituted six per cent of the population. The depression during the '30's slowed up the flow of non-white in-migrants but, even during the depression decade the non-white population

Table III
PERCENTAGE DISTRIBUTION OF POPULATION,
BY COLOR AND NATIVITY, 1900-1950.

	Native white		Foreign-born white		Nonwhite	
	City	Ring	City	Ring	City	Ring
.....	71	85	15	10	14	~5
.....	72	83	20	13	8	4
.....	68	78	25	18	7	4
.....	66	75	30	23	4	2
.....	62	72	36	27	2	1
.....	64	73	34	26	2	1

Source: Calculated from the data of 1950 Census of Population, U. S. Bureau of the Census.

Table IV
PERCENTAGE DISTRIBUTION OF EMPLOYED PERSONS,
BY MAJOR OCCUPATION GROUPS, 1950

Major occupation group	Chicago Standard Metropolitan Area	City of Chicago	Metropolitan ring
	Area	City	ring
Professional, technical and kindred workers.....	9.7	8.8	11.7
Managers and farm managers.....	0.5	(a)	1.4
Managers, proprietors, and officials, except farm.....	9.2	8.6	10.6
Technical and kindred workers.....	18.2	19.6	15.2
Service workers.....	7.2	7.2	7.3
Craftsmen, foremen, and kindred workers.....	16.1	15.1	18.2
Operatives and kindred workers.....	21.8	23.0	19.1
Domestic household workers.....	1.5	1.3	1.8
Service workers, except private household.....	8.7	9.7	6.6
Nonfarm laborers, unpaid family workers.....	(a)	(a)	0.1
Farm laborers and foremen.....	0.3	(a)	0.7
Miners, except farm and mine.....	5.8	5.6	6.3
Unemployment not reported.....	1.0	1.0	1.0

Source: *A Few Facts About Chicago's Suburbs*, Chicago Comm. Inventory, April, 1954.
(a) less than 0.1 per cent

Table V
PERCENTAGE DISTRIBUTION OF EMPLOYED PERSONS,
BY INDUSTRY GROUP, 1950

Industry group	Chicago Standard Metropolitan Area	City of Chicago	Metropolitan ring
	Area	City	ring
Agriculture, forestry, and fisheries.....	0.9	0.1	2.6
Mining.....	0.1	(a)	0.2
Construction.....	4.6	4.1	5.6
Manufacturing.....	37.5	36.7	39.1
Durable goods.....	23.5	21.7	27.6
Non-durable goods.....	13.6	14.7	11.2
Not specified manufacturing.....	0.3	0.3	0.3
Transportation, communication, public util.....	10.2	10.5	9.5
Wholesale and retail trade.....	20.1	21.3	17.6
Finance, insurance, and real estate.....	4.6	4.9	4.0
Business and repair services.....	2.8	2.9	2.6
Personal services.....	5.4	5.8	4.6
Entertainment and recreation services.....	1.0	1.0	1.1
Professional and related services.....	7.7	7.2	8.7
Public administration.....	3.9	4.2	3.4
Industry not reported.....	1.2	1.2	1.1

Source: *A Few Facts About Chicago's Suburbs*, Chicago Comm. Inventory, April, 1954.

of the metropolitan area increased by about 50,000 persons to a total of 335,000, or about seven per cent of the total population.

An increase in non-white population accounted for all of the city's growth during the decade. Between 1930 and 1940, the 23,000 net increase in the population of the city was achieved through a decrease of 20,000 in the white population and an increase of 43,000 in non-whites.

Between 1940 and 1950, because of the great demand for labor under the World War II economy superimposed on a high level civilian consumption economy, the in-migration of non-whites to the metropolitan area sharply increased. A net in-migration averaging about 18,000 per year during the decade, coupled with a natural increase—that is an excess of births over deaths—of more than 45,000 persons, resulted in an increase of about 270,000 non-whites. By 1950 non-whites in the metropolitan area numbered 605,000, of whom 587,000 were Negro, and constituted 11 per cent of the total population. The non-white population was large enough to rank as the 14th largest city in the country.

As in the preceding decade it was the increase in non-white population that accounted for all of the net increase in the population of the city. The net increase of 224,000 persons was made up of a decrease of some 3,000 whites and a net increase of 227,000 non-whites.

The number of non-white persons in the metropolitan area in 1950 was not very far below that of foreign-born whites, 605,000 as compared with 705,000. The large increase in non-white population, as in other metropolitan areas in the United States, represents, in fact, a substitution of non-white labor for immigrant labor to meet the needs of the expanding economic base of the area and especially the increasing needs of industry. With the stoppage of immigration on the one hand, and the changing agricultural technology and industrialization of the south, on the other, the rural southern Negro has, since 1910, displaced the foreign immigrant as the source of an expanded labor supply. This is a trend which may be expected to continue. The number of foreign born will continue to diminish with the play of

mortality, while the number of non-whites in the Chicago area, as in other metropolitan areas, will continue to increase with the expansion of the economic base.

Chicago has, then, been one of the nation's best producers of good Americans as well as of goods and services. It has received wave upon wave of immigrants from abroad.

It has utilized their labor to m industry and business. Simulta ously, Chicago has made it possi for them to climb from the bott of the economic and social lad to become full fledged Americ citizens and participate in the highest level of living ever achiev by any nation in the history of m Chicago has been host in turn

Table VI
MEDIAN FAMILY INCOME IN 1949, AND PERCENTAGE DISTRIBUTION OF FAMILIES BY INCOME

1949 family income	Chicago Standard Metropolitan Area	City of Chicago	Metropolitan ring
Median	\$4,063	\$3,956	\$4,264
Number reporting	100.0	100.0	100.0
Less than \$500	4.7	5.1	3.9
\$500 to \$999	2.3	2.5	1.9
\$1,000 to \$1,499	2.9	3.1	2.3
\$1,500 to \$1,999	3.5	3.8	2.8
\$2,000 to \$2,499	6.3	6.8	5.2
\$2,500 to \$2,999	7.7	8.1	6.9
\$3,000 to \$3,499	11.5	11.8	11.1
\$3,500 to \$3,999	10.0	9.7	10.5
\$4,000 to \$4,499	9.5	9.2	10.1
\$4,500 to \$4,999	7.0	6.8	7.5
\$5,000 to \$5,999	12.4	12.2	12.8
\$6,000 to \$6,999	7.5	7.3	7.7
\$7,000 to \$9,999	9.1	8.8	9.8
\$10,000 and over	5.7	4.8	7.5

Source: *A Few Facts About Chicago's Suburbs*, Chicago Comm. Inventory, April, 1950.

Table VII
RATE OF POPULATION GROWTH, 1900-1950.

S.M.A.	Population, 1950 (000's)	Rate of population growth, 1900-50	1930-40	1940-50
1. New York	12,911	155.7	7.4	10
2. Chicago	5,495	162.6	3.2	13
3. Los Angeles	4,368	2,199.0	25.3	49
4. Philadelphia	3,671	94.0	2.0	14
5. Detroit	3,016	606.6	9.2	26

Source: *Population Growth in Standard Metropolitan Areas: 1900-1950*, Housing and Home Finance Agency, 1953, Appendix Table 1.

Table VIII
PER CENT OF LABOR FORCE UNEMPLOYED, FEMALES AS PER CENT OF EMPLOYED PERSONS, AND DEPENDENTS PER EMPLOYED PERSON, 1950

S.M.A.	Per cent of labor force unemployed	Females as per cent of employed	Dependents per employed person	White	Nonwhite
1. New York	6.1	31.7	1.4	1.4	1.4
2. Chicago	4.2	30.8	1.3	1.6	1.6
3. Los Angeles	7.3	31.4	1.6	1.4	1.4
4. Philadelphia	5.5	30.9	1.5	1.8	1.8
5. Detroit	6.1	25.8	1.5	1.8	1.8

Source: Calculated from the data of 1950 Census of Population, U. S. Bureau of Census.

Table IX
PERCENTAGE OF EMPLOYED PERSONS ENGAGED IN SELECTED INDUSTRIES, 1950

S.M.A.	Manufacturing Durable	Non-durable	Retail trade	Whole-sale trade	Con-struction	Tran-sportation and public
1. New York	12	19	13	5	5	9
2. Chicago	24	14	16	4	5	10
3. Los Angeles	15	10	18	5	8	7
4. Philadelphia	16	21	16	4	6	8
5. Detroit	41	6	15	3	5	7

Source: Calculated from data of 1950 Census of Population, U. S. Bureau of the Cen-

Table X
FAMILY INCOME IN 1949

S.M.A.	Median family income	Per cent with income	
		under \$2,500	over \$6,000
New York	3,695	25.4	19.7
Chicago	4,063	19.7	22.3
Los Angeles	3,650	27.4	17.1
Philadelphia	3,466	28.2	15.9
Detroit	3,976	18.0	20.9

Source: Calculated from data of 1950 Census of Population, U. S. Bureau of the Census.

Table XI
**VOLUME OF SELECTED ECONOMIC ACTIVITIES,
PER CAPITA, 1948**

S.M.A.	Retail sales	Wholesale sales	Value, added, mfg.	Service rcpts.
New York	\$ 980	\$3,269	\$ 722	\$ 169
Chicago	1,090	2,778	1,006	156
Los Angeles	1,081	1,387	470	142
Philadelphia	911	1,563	764	93
Detroit	999	1,613	965	111

Source: *State Economic Areas*, U. S. Bureau of the Census, 1951; *1948 Census of Business and 1947 Census of Manufactures*, U. S. Bureau of the Census.

TABLE XII
**PERCENTAGE OF VOLUME OF SELECTED ECONOMIC
ACTIVITIES CARRIED ON IN THE RING, 1948**

S.M.A.	Retail sales	Wholesale sales	Value, added, mfg.	Service rcpts.
New York	30	9	32	23
Chicago	27	5	31	15
Los Angeles	50	26	55	39
Philadelphia	37	9	37	27
Detroit	31	10	37	15

Source: *A Few Facts About Chicago's Suburbs*, Chicago Comm. Inventory, April, 1954.

German immigrants, Irish, Scandinavian, Polish, Russian, Italian, Greek, and many others. These peoples have all been "foreigners" —have started at the bottom and have had to work their way up. Each of these peoples, in the Chicago environment typifying the opportunity in the United States, has demonstrated that any people of any ethnic or national origin can become good Americans.

Although immigration is now reduced to a trickle, Chicago is still expanding and is still receiving newcomers. As previously noted, the American Negro from the rural south has displaced the foreign immigrant as the source of new human productive capacity. And the Negro is now in the process of demonstrating, as did his foreign immigrant predecessor, that Chicago is an area of opportunity in which it is possible to work one's way up.

Because of changes in census procedures it is not possible to provide a complete picture of the change in the labor force of the Chicago S. M. A. since 1900. At mid-century, however, there were 2.5 million

FIFTY YEARS ON FILM

To have a great city, there must be great citizens, men and women of vision and purpose. To enlarge that vision and direct that purpose has been for the past fifty years the dedicated duty of the Chicago Association of Commerce and Industry.

Because statistics cannot tell all of the Chicago Story, the Association has sponsored a motion picture, "This Is Chicago," to show Chicagoans in action.

Wilding counts it an honor and a privilege to have been commissioned to write and produce this pictorial record of our people and their achievements in commemoration of the Association's half century of fruitful service.

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St. Louis

Los Angeles

persons in the labor force—that is working or seeking work. Of these, about 2.4 million were employed and about 100,000 unemployed in 1950, a percentage of unemployment somewhat below the national average. Of the "employed, more than four-fifths were wage or salary workers, slightly less than one-tenth were self employed and slightly less than one-tenth were government employes.

In 1950, 31 per cent of the employed workers were women. The proportion of women varied considerably by industry, however. For example, only 26 per cent of the workers in manufacturing were women, as compared with 36 per cent of those in the retail and wholesale trades.

In keeping with the national trend accelerated by World War II, the proportion of women in the labor force increased appreciably between 1940 and 1950. Increases have occurred in the labor force participation of women during the last several decades despite the increase in the percentage of women married. Two out of every three

females in the metropolitan area were married in 1950, whereas only three out of five were married in 1930.

One-fourth of the married females living with their spouses in the Chicago S. M. A. were employed in 1950. They comprised more than two-fifths of all employed females. Among married women 20 to 44 years old, nearly three of every ten were employed; they constituted half of all employed females in the age group and about one tenth of all employed persons.

About a fourth of the employed workers in the Chicago metropolitan area were clerical and sales workers; a little more than a fifth were operatives and kindred workers; and almost a fifth were professional, technical and kindred workers, or managers, proprietors and officials. Almost a sixth of the employed workers were craftsmen, foremen, and kindred workers, and the remaining one sixth were distributed among service employes and laborers. Larger proportions of professional, technical and kindred workers, managers, proprietors, and of-

ficials and craftsmen, resided in the ring than in the city. On the other hand, the city-employed labor force included larger proportions of operatives and of service workers and laborers, combined.

In terms of broad industrial categories, the largest proportion of employed workers in 1950 in the Chicago S. M. A. were concentrated in manufacturing which accounted for more than a third of the total. An additional fifth of the employed labor force were engaged in the wholesale and retail trades and an additional one-tenth in transportation, communication, and public utilities. These three broad industrial groups accounted for almost 70 per cent of the employment.

Median Income

The median income of all families in the Chicago S. M. A. was in 1949, according to the census returns, \$4,063. Families in the metropolitan ring had a higher median income than did those in the city—\$4,264 as compared with \$3,956. One-fourth of the families in the metropolitan ring had incomes of over \$6,000 per annum, as compared with one-fifth of the families in the city. At the other end of the income scale, about a fifth of the families in the city had incomes of less than \$2,500, whereas only a sixth of the families in the ring had similar low incomes.

It has been noted that during the first half of this century, Chicago, both as a City and as a metropolitan area, ranked second in population size among the urban areas in the United States. New York, which is larger than Chicago, and Los Angeles, Philadelphia, and Detroit, which follow in size in the order indicated, constitute with Chicago the five largest metropolitan areas in the country.

During the half century the Chicago S. M. A. grew more rapidly than did New York or Philadelphia but at a slower rate, by far than Los Angeles and Detroit. The phenomenal growth of Detroit during this century is, of course, linked with the meteoric history of the automobile; that of Los Angeles with the continuation of the settlement process. The relatively rapid growth of the entire Pacific Coast

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area during this century may be regarded as the last stage in the historical process, begun with the Pilgrims, in the settlement of the United States.

Of the three areas smaller than the Chicago S. M. A., only Los Angeles is continuing its growth at a rate which may place it ahead of Chicago. If the rate of growth of the Chicago and Los Angeles metropolitan areas between 1940 and 1950 should continue during this decade, the Los Angeles S. M. A. will be slightly larger than that of Chicago by 1960.

The decline in the rate of Chicago's population growth is evidenced by the comparisons shown for the five largest S. M. A.'s. Between 1930 and 1940, Chicago exceeded in rate of growth only Philadelphia. Between 1940 and 1950, Chicago's increase of about 14 per cent exceeded only that of New York and compared with about 50 per cent for Los Angeles and 27 per cent for Detroit.

The relatively slow rate of growth during the past decade cannot, however, be regarded as an indication of

decreased economic opportunity. Even with relatively slow growth the Chicago S. M. A. increased by some 700,000 persons between 1940 and 1950, a population larger than all of Pittsburgh and large enough to rank as the 12th city of the nation!

Employment Opportunities

In respect to labor force participation, Chicago experienced a lower percentage of unemployment in 1950, had the lowest number of dependents per white employed person, and occupied an intermediate position with respect to the proportion of workers who were women. The Chicago S. M. A. ranked second only to Detroit in the proportion of jobs it offered in the durable manufacturing industries, ranked first in the proportion of transportation jobs, and occupied an intermediate position in respect to employment opportunities in the non-durable industries, retail and wholesale trade, and construction. The Chicago area with its great industrial and commercial diversification continues to

be one of the nation's bulwarks of employment opportunity.

Of the five largest metropolitan areas, Chicago area families, based on the census reports, had the highest median incomes at \$4,063 per annum, in 1949. The Chicago area had the largest proportion of families with incomes over \$6,000 per year, and ranked second only to Detroit in the smallest proportion of families with incomes of under \$2,500 per year. In contrast with Chicago, 22.3 per cent of whose families had incomes of over \$6,000 per year, only 15.9 per cent of the families in Philadelphia, and 17.1 per cent in Los Angeles had such incomes. On the other end of the scale, whereas 18.0 per cent of Detroit's families, and 19.7 per cent of Chicago's families had incomes of less than \$2,500 per year, 28.2 per cent of the families in Philadelphia and 27.4 per cent in Los Angeles had incomes of this low level.

The relatively high income level in the Chicago area is reflected in its economic indexes. For example, retail sales per capita, at \$1,090, were highest among the five largest

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S. M. A.'s in 1948, the last year for which census data are available. Chicago was second only to New York in per capita wholesale sales and in service receipts. Chicago exceeded by a good margin the other areas in per capita "value added" in manufacturing.

In respect to its economic activities, the Chicago area has a smaller proportion located in the metropolitan ring than have the other big areas. For example, only 27 per cent of Chicago's retail sales were in the ring in 1948, as contrasted with 50 per cent for Los Angeles. Only five per cent of the Chicago wholesale sales were in the ring as contrasted with 26 per cent for Los Angeles. For value added in manufacturing, only 31 per cent of that in the Chicago area was produced in the ring, as compared with 55 per cent for Los Angeles; and in service receipts the comparable percentages were 15 and 39 per cent.

In the Chicago S. M. A., then, the city itself plays a more prominent role in population and in economic activity than the central cities of the other large metropolitan areas.

What is the outlook for the Chicago area? The truth is no one really knows. All that can be done, in looking ahead in the realm of human affairs, is to project the trends of the past. Such projections, while they cannot pretend to be prophecy, do provide some perspective and serve a useful purpose for general planning.

If the rate of growth of the city and its metropolitan ring between 1940 and 1950 were to continue to

1970, the population of the Chicago metropolitan area by 1970 would be 7,341,000. Of this number 4,115,000 persons would be resident in the city and 3,226,000, or 44 per cent would be in the metropolitan ring.

Thus, between 1950 and 1970 under the assumptions indicated, the Chicago area may be expected to add an additional 494,000 residents in the City, and 1,352,000 in the ring. Such an increase would mean an addition in population exceeding all that of Baltimore, a population large enough to rank as the sixth largest city in the U. S. in 1950. In such an increase lies both additional productive capacity, and market.

With the passage of the St. Lawrence Seaway project by the 83rd Congress, it is possible that this population project is much too conservative. On the other hand, problems of national security requiring decentralization of metropolitan areas in the coming years may be among the factors that may make Chicago's growth, and that of other metropolitan areas, slower than that projected. Other unpredictable factors such as war or depression may affect Chicago's future, as well as that of other areas.

On balance, the Chicago metropolitan area, in reviewing its extraordinary economic expansion and population growth, has no reason to view the future with other than well founded optimism. Chicago's future is as secure as the future of the great Middle West of which it is a part, and of the United States it serves as the second ranking metropolitan.

WORLD TRADE

(Continued from page 38)

worthy that the excess of exports over imports was substantial then as now, but at that time the United States was a debtor nation, and the excess enabled this country to pay interest on obligations abroad and to reduce the principal.

National exports then were roughly divided into one-third raw commodities, such as cotton, lumber, tobacco, coal, etc.; another third was foodstuffs, such as packinghouse products, grains, and some manufactured foods, e.g., cereals; and the balance was manufactured goods, both finished and semi-finished.

As the meat packing center of the United States, it is natural that that industry dominated Chicago's exports at the turn of the century.

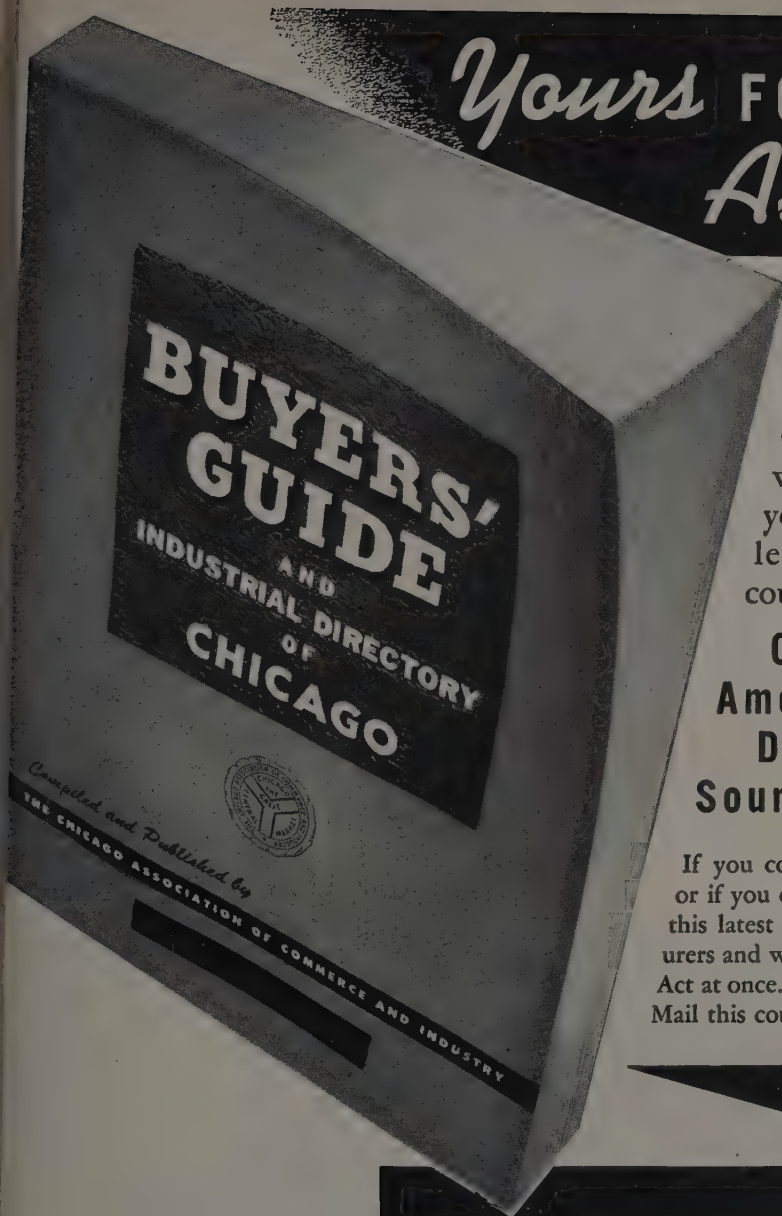
However, the ascending trend in exports of meats and livestock, which began about 1870, tapered off in the first few years of the 1900's. This was the result of greatly increased consumption in this country, sharply accentuated by heavy immigration and industrial expansion that absorbed much labor that otherwise would have been employed by agriculture; a substantial growth of meat exports from South America, notably

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Argentina; and a considerable upswing in Australian meat exports. In addition, many European countries were increasing livestock production in order to conserve foreign exchange for the importation of other commodities.

Manufactures exported included agricultural implements and machinery, clothing accessories, wagon and buggy springs, musical instruments, hardware, and various types of machinery.

On the import side, general merchandise was being brought in in heavy volume. Chicago absorbed a considerable portion of the total, but in keeping with its original greatness as a distribution center, imports along with domestic products were widely distributed throughout the middle west by Chicago wholesalers and jobbers.

Trade Tours

One of the earliest of the major trade promotion efforts of the Chicago Association of Commerce and Industry was organizing and conducting trade tours participated in by top officials of prominent manufacturers and wholesalers—to the Northwest, the Southwest, the South and the Southeast. Later a tour was organized to western Canada, and two to Mexico. Imports occupied a prominent position in the general picture.

Imports being brought in during the early years of the century in important volume included food specialties, and some staples (demanded by immigrants); toys, dolls, hardware, wire fencing and nails, chinaware, glassware, cuckoo clocks, jewelry and precious stones, musical instruments, binder twine, burlap, olives and olive oil, spirits, wines, beer, fine textiles, millinery, dress gloves, perfumery, and wearing apparel of many kinds.

An interesting sidelight: coffee was brought in duty free, whereas tea was assessed a duty of ten cents a pound, apparently on the theory that coffee was a poor man's beverage while tea was strictly for the carriage trade which jolly well could afford the tax.

Probably the most important single contribution towards Chicago's fast-expanding import business was the decision of Marshall Field to discontinue sending his

store's buyers on periodic trips to the markets of Great Britain and the Continent, and to substitute year-around buying offices in principal cities abroad, with secondary markets being covered at appropriate seasons by resident buyers from the major centers. Joseph Field, a brother of Marshall, personally took on the important assignment of setting up those offices, the first one being in Manchester, England. Thenceforth Field's set the pace for the entire country in bringing to its customers the finest merchandise available abroad, and while it was still unique and in great demand in its country of origin.

Services available to exporters and importers of those days, while far from the present day standard, were excellent in many respects. There were at least eight banks with foreign departments, and several foreign banks had Chicago branches. Most export and import sales were made in foreign currencies—British pounds, Dutch guilders, French or Swiss francs, German marks, Italian lira, Spanish pesetas, etc. It was then unlawful for an American bank to accept time drafts drawn on them in dollars, and a dollar bill of exchange on a European bank was exceedingly rare.

Under the heading of "Consuls" the 1904 Chicago classified telephone directory listed the following: Austro-Hungarian Consulate General, French Consulate, German Consulate, Russian Imperial Consulate, and the Spanish, Costa Rican and Cuban Consul. By 1909 this list had expanded to the impressive total of 33 (today there are 47). On January 22, 1909, the executive committee of the Chicago Association of Commerce elected to honorary membership the ranking consular officer of each consulate. Later a special dinner was extended to them, at which all were inducted into honorary membership amidst much pomp and ceremony.

The 1904 classified telephone directory also listed nine exporters, six importers, two foreign freight forwarders, ten customhouse brokers, four ocean steamship lines, eight express companies, eight telegraph companies, and some 225 "Railroad and Transportation Lines, Company and Agents."

During the decade from 1904 to 1914, imports rose steadily, with a

brief exception during the mild business recession of 1907. Export pushed constantly forward, too.

Many Chicago manufacturers and wholesalers, entering the export business for the first time, turned over their exports for the entire world to export houses in London, Amsterdam, New York, and occasionally to houses in some other important export center.

Palmy Days

Those were palmy days in exports for wholesalers. Many manufacturers did not want to be bothered with the technicalities involved in handling their own exports—foreign languages, foreign currencies, the metric system of weights and measures, demands for credit terms from new and unknown prospective customers, and whatnot. On the other hand, the foreign importer was generally happy to find one source of supply from which he could purchase literally hundreds and sometimes thousands of items, produced by scores of different manufacturers. One order sufficed, one bill of lading, one set of export documents, one commercial invoice. His total cost was generally considerably less than it would have been had he divided his order among the various manufacturers whose products were involved, assuming they would have been willing to accept his order. Many export shipments moving from Chicago during this period contained merchandise originally manufactured in the East, shipped to the Chicago wholesaler, and later exported by him, generally via North Atlantic port, and not infrequently via the original city of manufacture.

Two major events in 1914 materially altered the course of our foreign trade. First, and most important, the outbreak of World War I in Europe; second the passage by Congress of the Federal Reserve Act (December, 1913), authorizing member banks to accept time drafts in an aggregate amount not exceeding 50 per cent of their capital and surplus, thereby creating an acceptance market in the United States. (A banker's acceptance substitutes the credit of the accepting bank for that of the buyer in a bill of sale. Bankers' acceptances are readily saleable on the open market. This enables

holder to obtain his funds without delay. The bank is paid a commission for its service.)

When Great Britain and numerous European countries were plunged into war in 1914, the sources of most manufactures and many primary products depended upon importing nations, were abruptly cut off. Suddenly there was a tremendous demand for American products of almost every variety. The nations at war established purchasing missions in the United States, and they had cash to lay on the barrel head. Importing nations, especially in Latin America, accustomed to rely on British and Continental sources of supply, turned drastically to this country. Imports were largely eliminated, putting an extraordinary demand on domestic producers from their long-standing customers at home.

From the outbreak of war in 1914 until the United States got into the war in 1917, American manufacturers enjoyed a delirious sellers' market. But all was not beer and skittles. The British blockade was highly effective, and the German U-Boat campaign was devastating. Sea ocean transportation became an increasingly serious problem. Any-

thing that would float was brought back into service. Some Chicago exporters recall vividly, and still somewhat painfully, booking freight from San Francisco to Australia at the fantastic rate of \$60 a ton—on antiquated sailing vessels.

By 1917 there were uncounted thousands of exporters in this country. With the end of the war the following year, and normal competition being gradually restored in world markets, many of them fell by the wayside. But manufacturers had discovered export markets, and the days of the wholesalers in that business were numbered.

Foreign Selling Trips

Many of Chicago's leading exporters and export managers got their start in the decade following the end of World War I in November, 1918. Export order taking was out; competition in world markets was back with a vengeance. The business of export management was fast becoming a respected and remunerative vocation. Combination export management companies sprang up like mushrooms. Foreign selling trips, many of which had previously been undertaken primarily in an adventurous spirit, became the rule

rather than the exception. Vast loans to foreign nations in the late 1920's sharply stimulated export sales. Then came the business crash in 1929, and foreign trade, along with other types, stagnated.

The present world trade activities of the Chicago Association of Commerce and Industry were organized and established in June, 1929. Less than six months later a world trade department was at best a luxury, but Association officials stood firmly on their decision to maintain a separate department for the promotion of Chicago's world trade.

Slowly and painfully exporters and importers staged a come-back. An historical event occurred on July 25, 1931, when the Swedish steamer Anna nosed her way up the Chicago River with a carload of steel products from the port of Antwerp. Subsequently regularly scheduled direct steamship service was established between Chicago and foreign ports. Last year 183 such vessels called at the Port of Chicago. With the St. Lawrence Seaway project now assured, this service is expanding rapidly. When the seaway is completed port activities at Chicago are expected to become tremendous,



with a corresponding sharp expansion of the world trade of this area.

Came World War II. The volume of exports and imports was unprecedented—and never did the export or import manager have less to do with it. Government controls—U. S. government, foreign governments—you sold when and where you were directed, you bought as some bureaucrat deemed it “in the national interest.” And still world traders persevered. Their reward at the end of hostilities has been an upsurge in world trade that is believed here to stay. Obstacles, many obstacles, remain to be conquered. Perhaps the most stubborn for the exporter is the dollar shortage that exists in most foreign markets. But it is being conquered.

The future of Chicago's world trade is tremendous. The worldwide demand for Chicago products is growing. The manufacturer who desires to export has available in Chicago every conceivable service. If he prefers not to establish his own export department, there are many export sales organizations located in Chicago, headed by experienced, successful executives, who will handle his sales on an arrangement calling for only a nominal investment and with future expenses based upon income from exports.

A word of caution to the uninitiated: Do not be misled into making such arrangements with export organizations at ocean or gulf ports, if you are located in the Middle West. The tang of salt water is no longer a condition precedent to successful export management. Keep your export manager at the end of your metropolitan telephone. If you are in the market for such services, and desire to determine which organization is best qualified to serve you, counsel is available from the world trade department of the Chicago Association of Commerce and Industry, the splendid world trade division of the Chicago office of the United States Department of Commerce, your own banker (if he does not have a foreign department you can be sure he deals with another Chicago banker who does), local steamship representatives, railroad export-import departments, overseas airlines, cable companies, marine insurance agents, export trade publications, foreign freight forwarders, and customhouse brokers.

No nation enjoys as great a world trade potential as the United States—and no city in this country can approach Chicago's possibilities in that field.

Association History

(Continued from page 19)

the establishment of various departments, the majority of which are still in operation today. The institution of such committees to promote Chicago's leadership in transportation, education, housing, domestic commerce, and world trade, to name but a few, created enthusiasm in Chicago, and resulted in a significant membership increase. Succeeding executives were responsible for the establishment of additional committees and staff assignments which have provided for a continuing expansion of Association activities.

The Association materially advanced the Chicago story during the trying periods of World Wars I and II. The establishment of countless new sources of supply for this area's industrial plants was encouraged; other industries keyed to wartime service were stimulated to center

their operations on the shores of Lake Michigan, and top ranking businessmen in the Association's membership were channeled into volunteer service with the federal government.

War-time presidents of the Association performed a service that will not soon be forgotten. Joseph De-frees, Charles Dering, John W. O'Leary and Lucius Teter during the first conflict, and A. H. Melling-er, Holman D. Pettibone and Thomas B. Freeman in the second, served the Association and Chicago industry with selfless, enduring loyalty during these periods of stress for the nation and the city. The fact that Chicago's development continued at a rapid pace despite war-time restrictions is adequate testimony to their efforts. During and immediately after World War II, Chicago enjoyed a greater invest-

ment in industrial facilities than any other area of manufacturing importance in the nation.

Changing times require great flexibility in Association activities. Up to 1925, for example, the control of street traffic was considered principally in the light of motoring convenience. Then the Association concluded that the point of view of business should be a main ingredient of future plans. Under the guidance of Elmer T. Stevens and his street traffic committee of the Association, a report containing a new set of traffic regulations, and a proposal to create an engineering bureau in the department of public works, was accepted by the city council, and the resultant changes paved the way for the solution of many knotty problems.

Parking Plan

More recently—in 1949—the Association presented to the city council “A Parking Plan for the Central Area of the City of Chicago.” It represented continuous study and investigation over a three year period and was financed jointly with the State Street Council at a cost of \$60,000. The plan, including the Association's recommendation that the projects be financed by revenue bonds rather than increased taxation, was adopted by both the City of Chicago and the Chicago Park District. Garages now being constructed by the City at various locations in the downtown area, and the huge underground parking garage opened in 1954 by the Park District beneath Michigan avenue are the direct result.

The Association has played a vital role in developing the Chicago markets. In 1910 a program of trade shows was conceived to display goods made in the city. The growth of these shows, which stimulate business all over the country as well as in this area, is a testimony to the promotional efforts of the Association's Domestic Commerce department.

In 1904, when the Association was organized, wholesale sales totaled \$1.3 billion in the Chicago area. In 1954 they had skyrocketed to \$17.8 billion. In the same period, retail sales rose from \$750 million to \$6.9 billion.

During the 50-year lifetime of the

association, the value of manufactured products in the Chicago Metropolitan Area jumped nearly \$1.3 billion to \$18.3 billion; the number of manufacturing workers rose from 57,000 to almost one million, and their wages and salaries increased from \$182 million to \$4.5 billion; total employment soared from 900,000 to 2,750,000 workers.

The Chicago World Trade Conference, sponsored jointly by the Association and the Export Managers' Club since 1935, played host again in 1954 to more than 1,000 individuals from all over the United States and many foreign countries. This meeting has aided materially in helping Chicago assume and hold its current high place in America's overseas commerce and its vital role in the nation's overall economy.

Throughout its history the Association has provided leadership for a wide range of activities dedicated to the improvement of governmental organization and administration at local, state and national levels. It has been a valuable counsel to business, commerce and industry on legislative problems. It has per-

formed outstanding service in connection with the legal and legislative phases of housing, building and zoning programs, public works projects and scores of similar matters of industrial, commercial or civic importance to the community and its citizens.

Illinois Waterways

A fundamental Association doctrine from its beginning has been that Illinois waterways should be improved, and thus a committee on Rivers and Harbors was active in the decade between 1910 and 1920. One of the top objectives of the Association in recent years has been to obtain the widening of the Calumet-Sag Channel. Since 1930 the channel has been part of the federal waterway system, dedicated to free public use for navigation. The widening project was approved by Congress in 1946, but appropriations for construction haven't been made.

The Inland Waterways Coordinating Committee, which the Association helped organize on May 13, 1954, is currently unifying the efforts

of many organizations and public agencies to get the vital Cal-Sag Project under way.

Chicago's undisputed leadership as the nation's top convention city continues to reflect credit upon the foresight of Joseph Basch, chairman of the first convention bureau of the Association, organized in 1905. In 1953, 1,050 conventions and trade shows, involving more than a million people, added millions of dollars to the city's economy and impressed visitors with Chicago's well-deserved reputation for hospitality.

The Association has been continually prominent since 1910 in social welfare and related fields, analyzing the objectives of welfare agencies, appraising the soundness of their accounting and financial procedures, disclosing duplicating, overlapping or fraudulent operations; and assisting in strengthening the quality of their work. The Association was instrumental in helping to organize such welfare agencies as the local chapter of the American Red Cross, the Community Fund, and the Welfare Council.

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continuing progress.



ing, the Association successfully advocated the State Slum Clearance and Rehousing Program Act in 1945, and in 1944 initiated the modernization of the building code approved by the city council, December 30, 1949. Currently, the Association has approved Urban Renewal Project Number 1, the vast redevelopment program for the Hyde Park Area, and continues to take an active interest in all housing and slum-fighting matters.

In 1954 the Chicago Association of Commerce and Industry continues to direct its energies toward the promotion of the city. Teaming with dedicated civic leaders are nearly 100 men and women who make up the Association's headquarters staff. Theirs is a wide diversity of talent, training and experience devoted full-time toward making Chicago an increasingly vital center of commerce and industry and a community of which its citizens may be proud.

The Association is currently producing a television show—THIS IS THE MIDWEST—in cooperation with the Columbia Broadcasting System. A documentary, public service program, the show each week turns the spotlight on one of the significant industries that has helped to make the Chicago metropolitan area the manufacturing giant of the world. Its objective is to portray the city in its proper perspective and to instill in its citizens a greater sense of civic pride.

In just fifty years, the Chicago Association of Commerce and Industry has fashioned a record of achievement in the city and area it fosters that few of its founders would have dreamed possible. It looks forward today to a new era of progress dedicated to making the next half century even more fabulous than the 50 year period which came to a close October 9, 1954.

Churches

(Continued from page 25)

Church was established here. Appropriately enough, the scene was a carpenter's shop in Fort Dearborn where, on June 26th, 1833, 16 soldiers and ten civilians organized the church. In the same year 15 Bible-reading pioneers started the First Baptist Church of Chicago, and the first Catholic church, St. Mary's, was built. It was destroyed in the Chicago fire in 1871, then a protestant church at 9th and Wabash was purchased and established as St. Mary's. It still stands there.

Religion has continued to be tied in closely with Chicago's growth. In 1845, just eight years after the city was incorporated, the first Jewish service was held in a small room above a store at Wells and Lake streets. The following year the first Jewish congregation was founded and in 1849 the first synagogue was erected. By the turn of the century the Jewish community was supporting about 60 congregations, the Protestants about 825 and the Catholics almost 200. In 1954 there were 405 Catholic churches in the Archdiocese (Cook and Lake counties), largest in the United States. About 275 of these are in Chicago. More than 1,100 Protestant churches are

churches here. The Bureau of Research and Planning of the Church Federation of Greater Chicago founded in 1908, was the first in the nation to advise Protestant faith on where to locate new churches, and the best interests of all would be served.

Nationally, church population is increasing. In 1900 it was estimated that church membership totaled about 36 per cent of the population of the United States. In 1954 the percentage had risen to 59.5. But Chicago's estimated 95 per cent affiliation figure, based on careful community studies, dramatically points up the increased membership here.

Places of religious and scenic interest in the area include the seminary at University of St. Mary on the Lake on a 1,000 acre campus at Mundelein, Ill., erected there by Cardinal Mundelein, the first cardinal of the West; Rockefeller chapel at the University of Chicago; the Baha'i House of Worship, an impressive architectural achievement north of the city; the Temple Shalom on the north side, the North Shore Congregational Israel in Glenview, or the South Shore Synagogue; Holy Name Cathedral; Chicago Methodist Temple and St. Peter's church in the heart of the Loop; Fourth Presbyterian Church on the near northside; the First Unitarian church in Hyde Park, an artistic blend of ancient and modern symbolism; the North Shore Baptist church, largest of its denomination in the U. S.; St. Patrick's church, oldest church building in Chicago erected in 1856 and one of the only churches to survive the Chicago Fire; and in progress is the Cardinal Stritch school of medicine on the Loyola University campus; several hospitals, associated with various faiths, are planned for the near future.

Among the less conventional, non-sectarian clubs, forums and special groups appealing to religious people is the Chicago Sunday Evening Club, founded in 1907 by the Chicago philanthropist, Clifford Barnes. Unique in the U. S., the club presents visiting choral groups and features a guest speaker chosen from among the various faiths or from among outstanding laymen each Sunday night from October to June. Many local business firms contribute to its upkeep.



Baha'i House of Worship Korth photo

now located in the city, and more than 140 Jewish synagogues.

The religious community includes more than places of worship, however. Church social work sponsored by the three major faiths has become increasingly effective in helping the aged and persons in trouble. Much of the emphasis on church social work by the three faiths had its origin in the techniques and activities of local

Education

(Continued from page 26)

eral arts colleges or divisions of universities train many more who will become teachers.

The public school system has grown from an attendance of 250 in 1835, when Chicago received its first city charter, to close to half a million—434,137 as of June, 1954. From the first village school fund of \$38,619.47, raised in 1833 from the sale of federal lands granted for the purpose, Board of Education assets have mounted to \$325 million and the annual operating budget has risen to \$125 million. And from the first public school building, erected in 1845 on Madison street near Dearborn, facilities have increased to 428 schools, with 61 regular branches and 19 hospital branches.

Most of the city's educational institutions have adjusted courses and class schedules to meet the time-tables as well as the training needs of students of all ages and circumstances. At Illinois Institute of Technology, twice as many of its

6,500 students attend night or late afternoon classes as attend daytime courses. Half of Northwestern University's enrollment of 18,000 are night students. At Loyola University 2,000 of its 7,600 students take early evening or night courses. Sixty per cent of the 200 students at Chicago-Kent College of Law, and all of the 300 enrolled at John Marshall Law School, attend afternoon or night courses.

Roosevelt University, Chicago's newest institution of higher learning, which opened in 1945, boasts of being an "around-the-clock" school, with more than a third of its enrollees in night classes. DePaul University's night courses, particularly in law and commerce, represent more than half of the enrollment.

The University of Chicago enjoys the honor of maintaining the oldest evening college in the nation. When William Rainey Harper reestablished the University in 1891 after a five-year interruption in its

services, he championed the concept of adult education and coined the term, "university extension," to describe his intentions. The first classes to open under Harper's regime, in 1891, were evening courses—day classes followed in 1892. Today, the University's Downtown Center enrolls about 4,500 students in its night classes, more than a third of them in courses offering credits toward degrees. This fall the Downtown Center added four more advanced degrees—English, Spanish, history and the social sciences—to its masters degrees in education and business administration.

Oldest Evening College

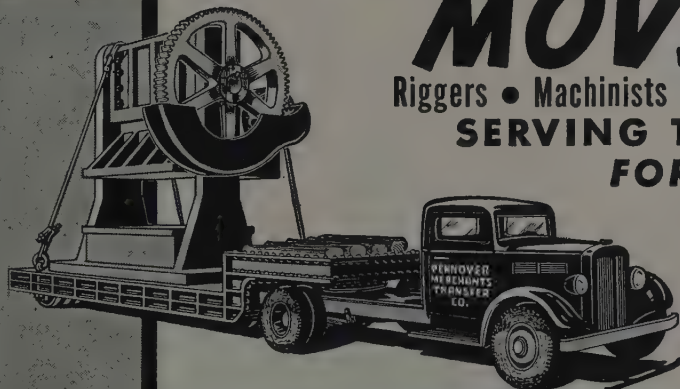
The University of Chicago also conducts a Home-Study department wherein some degree credits may be earned, although degree applicants must spend a minimum of three term quarters in residence.

Chicago's schools, taken as a whole, offer what is probably the most diversified curriculum avail-



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able in any educational center of the world.

Northwestern, for example, established the first professional school of journalism, Medill, in 1921. Its Technological Institute, organized as such in 1939, brings together the chief modern branches of engineering. Its famed School of Speech, founded in 1878, centers in one school all aspects of speech communication, including clinics for treatment of speech and hearing defects. A new Transportation Center tackles problems of air, highway, rail, pipeline and water transport through the combined skills of the School of Commerce, the Technological Institute and the Traffic Institute.

Top-level Skills

Typical of the schools' close link with the community are the courses, the research, and the service centers at Illinois Institute of Technology (formed from the merger of Armour and Lewis Institutes in 1940). To supply the top-level skills so desperately needed by Chicago's expanding industry, Armour was established in 1893, offering four-year mechanical and electrical engineering courses. Two years later Armour cooperated with the Art Institute of Chicago to establish the Chicago School of Architecture. Other specializations followed rapidly—civil engineering in 1899, chemical engineering in 1901, fire protection engineering in 1903. Recent additions include safety engineering, the first degree course in food engineering, and, in 1950, the first degree course in technical drawing.

Illinois Tech's Institute for Psychological Services has contributed much to modern personnel techniques through its widely used testing services for evaluating industrial and professional personnel.

Chicago's "New Bauhaus," the Institute of Design, merged with Illinois Tech in 1949 and has exerted a profound influence on business and industry in Chicago and the nation. Its philosophy of the essential unity between the fine and applied arts has helped shape the products flowing from today's assembly lines, the containers in which they are shipped, and the media used to describe and sell them.

Although many aspects of the University of Chicago's research and services have received less public attention than its Institute of Nuclear Studies, they nonetheless have an important impact on community life. The University stresses the team approach, such as that represented by its Committee on Human Development. The Committee pools the insights of sociologists, psychologists, educators and anthropologists to study human behavior. Translated into Chicago's everyday problems, the subjects of study include juvenile delinquency; the effects of mass media, such as radio and television, on the individual and his family; the social problems created by the relatively new custom of compulsory retirement; and studies of industrial morale, management, and labor, conducted in cooperation with the University's Industrial Relations Center.

At Loyola, an intern program in the Institute of Social and Industrial Relations sends graduate students in personnel, wage administration and similar fields to work in various businesses, unions and government offices. Thus the students obtain practical experience along with their academic courses.

Loyola's Office of Law Development typifies the advancement of knowledge through special centers that combine erudition with top-level experience. One of the newest problems under analysis through this office by practicing lawyers, political scientists, philosophers, and related specialists, is that of de-segregation in the nation's public schools.

Numerous forces in Chicago's evolution have kept its schools thus attuned to the city's needs, not the least of which is the ever-accelerating demand of commerce and industry for trained personnel.

Only a few generations ago, trade, professional and business courses were virtually unknown. Trades and professions were learned through apprenticeships; the "common" or elementary schools taught only the barest curriculum; secondary education was left largely to the valiant attempts of a few academies and seminaries, founded and supported in the main by religious faiths to train teachers and clergy.

Only two years after the granting of the first city charter in 1835, Chi-

cagoans sought and obtained amendments to establish a free, tax-supported school system, anticipating by a full 16 years similar action by the state.

The old individual apprenticeships and limited school curriculum could not begin to answer booming Chicago's cry for skilled hands and trained minds. Business and industrial leaders tried for many years to interest the Board of Education in manual training, but post-Civil War inflation and the loss of 15 school buildings in the fire of 1871 placed heavy burdens on the school budget.

Finally, in 1885, the city furnished one public school room for carpenter work, and free hand and mechanical drawing. So successful was this experiment that five years later the English High and Manual Training School was opened. Today the public schools provide vocational training in more than a score of trades, as well as countless other job skills.

Continuation School

Related to the urgency of vocational training was the provision for educating young people forced to leave school and go to work. Public school evening classes had started in 1862 in the Dearborn School, and by 1893 they functioned in 52 schools. Evening commercial courses were started in 1909 in the Thomas Hoyne School, and at the close of World War I, Washburne School, which had served as a training center for munitions workers, was opened as a continuation school.

Already noted has been the successful work of the universities and colleges in developing training for the new technology. To fit the special circumstances of those who wanted job and career training but not necessarily a degree, or who wanted to study at home or at night, a great variety of private schools sprang up. Chicago's private trade and career schools now cover almost every known kind of occupation.

One of the oldest is the American School, a home-study institution that moved here from Boston in 1902 to conduct an educational experiment with Armour Institute. During five years' collaboration the two schools developed homestudy and extension

texts and teaching techniques. Another well known home study school, LaSalle Extension University, was organized in 1908.

Other career and trade schools include Aeronautical University, Allied School of Mechanical Trades (machinist, tool and die), American Floral Art School, American Institute of Baking, Chicago School of Watchmaking, Chicago Technical College (building, engineering, radio), Commercial Trades Institute (mechanics, electronics), Coyne Electrical School, DeForest's Training, Inc. (radio, television), Greer Shop Training, Inc. (mechanics, refrigeration), Industrial Training Institute (electronics, air conditioning), Jewelry Training Service, Metropolitan School of Tailoring, Moler System of Colleges (barbering), Ray-Vogue Schools (art, design, decorating), Siebel Institute of Technology (brewing), Sprayberry Academy of Radio, Utilities Engineering Institute and Worsham College of Mortuary Science.

Chicago's Navy Pier branch of the University of Illinois provides still another example of education de-

signed to accommodate the students. This two-year undergraduate school was established in 1946 primarily to serve World War II veterans, but so great has been the demand for its services that the state legislature has ordered exploration of its possible expansion into a four-year degree granting division. Some 3,500 Chicago-area students are enrolled in its 200 courses, which include liberal arts, 11 engineering specialties, commerce and business administration, pre-professional work, and others.

Adult Education

The great diversity in subjects offered and the wide flexibility in class scheduling make the line between adult education and education for young people difficult to draw in Chicago. Closest, perhaps, to the term "adult education" are schools like Sheil Institute, where two-thirds of the students attend business and commercial night classes, many with tuition paid by employers. The popular "Learning for Living" program at the Central Young Men's Christian Association

attracts close to 5,000 persons, with separate business and real estate institutes enrolling hundreds more.

A world-famous adult education plan is the Great Books Discussion Program, launched by the University of Chicago and now conducted by a foundation. In Chicago the program reaches some 2,500 persons organized in more than 100 groups.

The Chicago Park District's vast education and recreation programs for all ages cannot be tabulated in numbers of people, but a staff of 543 instructors serves 166 neighborhoods in arts, crafts, dramatics, music and sports activities.

In the story of Chicago's educational history and present capacity, the religious organizations of all faiths deserve special tribute. The first to bring education into the northwest wilderness, the religious groups today support a large share of the area's schools.

Among the fully accredited colleges in this category are Concordia Teachers College, founded in 1864 to train teachers for Lutheran schools; Elmhurst College, supported by the Evangelical and Reformed

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Church; North Park College and Theological Seminary, founded to train Evangelical Mission Covenant ministers and now one of the city's largest junior colleges; George Williams College, organized in 1890 primarily to train Y.M.C.A. leaders; and Northern Baptist Theological Seminary, established by the Second Baptist Church.

In addition to Loyola and DePaul Universities, the Catholic faith has established four liberal arts colleges for women in the Chicago area: St. Xavier's College and Academy, and Mundelein, Rosary and Barat Colleges. Catholic schools also provide a major share of the city's elementary and high school education, with 486 parochial schools serving 262,805 children.

Lutheran adherents maintain two high schools and 88 elementary schools in the Chicago area, serving more than 12,000 children. The Christian Reformed and Reformed Churches support three high schools and seven elementary schools, plus one for handicapped children, serving almost 4,000 students.

The Jewish faith supports one high and six elementary full-time day schools, teaching some 1,500 children, in addition to afternoon religious and cultural classes at all levels, including high school, reaching another 10,000. Jewish theological institutions include the College of Jewish studies and the Hebrew Theological College.

Theological Institutions

Other theological institutions in the area, estimated by the Church Federation of Greater Chicago to be the largest concentration in the country, include the Baptist Missionary Training School; Bethany Biblical Seminary, supported by the Church of the Brethren; the Chicago Baptist Institute; Chicago Lutheran Theological Seminary; Emmaus Bible School; the Federation of Theological Schools on the University of Chicago campus, representing the Baptist, Congregational, Disciples and Unitarian denominations; Garrett Biblical Institute; Kendall College, supported by the Methodists; McCormick Theological Seminary, supported by the Presbyterians; Mennonite Biblical Seminary; Moody Bible Institute; Seabury-

Western Theological Seminary for training Episcopal clergy; and Trinity Seminary and Bible College, maintained by the Evangelical Free Church.

Of the 29-odd private preparatory schools, academies and junior colleges in the area, accommodating some 7,000 children, several are supported by religious organizations. Others are affiliated with colleges or universities, such as the Avery Coonley School and Children's School affiliated with the National College of Education.

The arts, too, have won a prominent share of Chicago's encouragement. The School of the Art Institute of Chicago, founded in 1866, serves more than 6,000 students and is the largest art school in the world, with full accreditation to award certificates and degrees. Under its wing, the Goodman Memorial Theatre School of Drama has sent graduates into the theatres, cinema centers and

radio and television studios of the nation. Columbia College, opened in 1890 as the Columbia College of Oratory, also offers instruction in the speech arts, as well as teacher training. Of Chicago's dozens of music schools, perhaps the best known is Chicago Musical College, which was combined this year with the Roosevelt University School of Music.

The city that has fostered this huge machinery for learning has, itself, suffered numerous growing pains, the newest arising directly out of its size. Fittingly, Chicago turns to the schools it has created for solutions to its problems of bigness, and the schools are responding. Latest of the problem-solving units organized toward this end is Northwestern's Center for Metropolitan Studies. From this and similar efforts in other schools may come the prescriptions guaranteeing the community's continued vigor through future decades.

Libraries

(Continued from page 28)

L.I.R. to compile extensive data on the countries under consideration before establishing several new Latin American branches.

The famous John Crerar Library is world's largest free public library devoted exclusively to science and technology. Established in 1895, Crerar has built up the biggest medical collection in the Middle West, along with large collections in engineering, chemistry, agriculture, physics, geology and communications, and strong representation in all other fields of science and technology.

Since the Crerar collections exceed even those of some area schools, the largest number of users, 43.8 per cent, come from universities and colleges. But the second largest category of users, 36 per cent, represent business and industrial firms, and another 12.4 per cent are professional people.

In addition to this heavy usage by persons engaged in company research, Chicago firms often employ Crerar's research information service to undertake library research projects, including translations, at cost. Of some hundred such projects during the past year, the scope

ranged from translation of an Italian patent, at a charge of \$8, to a survey of recent technical literature from several foreign countries, at a fee of thousands of dollars.

The behemoth of local libraries is Chicago Public with almost two and a half million volumes, 62 branches and sub-branches, and numerous special services. Total circulation of all materials, including recordings, films, slides, and books in Braille, approaches the ten million mark. Business and industry make extensive use of most of the library's services, but especially its excellent and well-staffed business and civics department. Here such business stand-bys as Moody, and Standard and Poor, and publications like the Kiplinger Letter and Babson Service, draw 100,000 users a year.

Another of Chicago's great free public libraries is the Newberry, with a valuable collection of some 700,000 volumes devoted to the humanities. Founded in 1887, the library worked out an agreement with Chicago Public and with Crerar, then in process of formation, to balance and coordinate the holdings and functions of the three institutions. This agreement has been of

time importance in building the three libraries into their present eminence and value to the community by avoiding duplications in acquisitions and services and thus freeing individual budgets for meaningful purchases.

Newberry possesses such collections as the William B. Greenlee on Portuguese history and literature, generally conceded to be the world's best; the famous John M. Wing collection of typography and typographical history (of obvious value to Chicago's large printing industry); genealogy, including American town and county histories as well as large collections in English and European genealogy; and outstanding collections in American, British and Celtic literature and history, history of the American Indian, middle west history, philology, religion, philosophy and the fine arts.

The histories of many Chicago businesses and organizations could not be written without the materials available at the Chicago Historical Society, oldest of the city's public libraries and museums. Here, since 1856, have been preserved basic materials on Chicago and the middle

west — early directories, street guides, city and county reports, newspapers and periodicals, manuscripts, business account books. Early documents relating to the British in America, French explorations, and government journals from nearby states as well as Illinois, enhance the scope and value of the collection.

History In Making

History in the making can be found in the Municipal Reference Library in the Chicago City Hall, where more than 200,000 volumes and pamphlets cover municipal government, administration and legislation from the earliest days of the city and county through the present. Municipal Reference keeps the published reports and proceedings of the city council, annual reports of city departments and taxing bodies, municipal codes, lists of registered voters, city and telephone directories, etc. Similar reports, records and legislation from other cities in America and abroad are available.

On the county side of the same city-county building is housed the Chicago Law Institute, organized in

1835 by leading members of the Chicago Bar. Law books were few and costly at the time, and early members often contributed books instead of money to the Institute. Here are found the court reports of the 48 states and the federal government, the statutes and session laws of the states from the beginning to date, and most legal periodicals and text books. Valuable additional collections include the court reports, statutes and session laws of England, Canada, Australia and English colonial territories, and volumes in English on law of other countries.

One of the city's outstanding private libraries, open to the public, however, for reference and research, is the Insurance Library of Chicago, oldest of four such institutions in the country. Established in 1883, the Insurance Library is supported by the Cook County Inspection Bureau, and contains the most complete collections in its fields — fire, general, casualty, life, inland marine and surety insurance; and fire hazards, fire prevention, and fire fighting.

Extensive library facilities also are maintained in the Art Institute of Chicago, with large collections

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on architecture and the graphic arts; the Chicago Academy of Sciences, on natural history, particularly of the Chicago region; the Chicago Natural History Museum, on anthropology, botany, geology, ornithology and zoology, and on oriental history, literature and art; and the Museum of Science and Industry, on the history and development of industry and the sciences, including special collections of prints on primitive transportation, aeronautical photographs, locomotive drawings and trade catalogues.

Most of the city's educational institutions have libraries of their own, with some collections worthy of special note. Outstanding among the University of Chicago's million and one-half volumes are its collections in the social sciences, oriental studies, classics and classical antiquities, languages, geography, geology, philosophy and religion. Northwestern's medical collection holds more than 20,000 foreign dissertations and many early and rare medical works and objects, while its Charles Deering library includes, among several exceptional collections, a large and important one on the Far East and Japan.

Of some two hundred private specialized libraries in the area, many are maintained by businesses and industries for staff use, or by the national offices, located in Chicago, of such professional organizations as the American Medical and American Bar Associations. Others aid the functioning of semi-public institutions like the Public Administration Clearing House, national headquar-

ters for such groups as the American Municipal Association, Council of State Governments, Governors' Conference and Federation of Tax Administrators. Among the important business libraries are those of American Can, Armour and Company, Carnegie-Illinois Steel, Commonwealth Edison, Crane Company, R. R. Donnelley and Sons, First National Bank of Chicago, Rand McNally, United States Gypsum and Universal Oil Products Company.

The very richness of Chicago's library facilities in itself poses a problem. Librarians, of necessity, have developed so-called "union catalogues," central indexes of materials in several libraries, to help steer researchers to the information they want. Further, today's publication of books and documents has grown so huge that even the Library of Congress long since has abandoned any hope of completeness.

But Chicago, pioneering in this as in other fields, is developing a modern solution. Near the University of Chicago campus stands a new kind of library, the first in the world, known as the Midwest Inter-Library Center. Within this strikingly modern building are stacks with a capacity of three million volumes, teletype machines already linking the Center with 15 universities and Crerar Library, and air-conditioned cubicles equipped with typewriters for the use of researchers. Here each participating institution may store or donate outright its valuable but little-used materials, which then become available, through shipment on teletyped request, to all.

Meat Packing

(Continued from page 52)

slaughter house wasn't built until 1827 when Archibald Clybourne, the official government butcher for the Pottawatomie Indians, erected facilities to prepare meat for the Fort Dearborn garrison and settlers.

George W. Dole did the first actual meat packing here in 1832, dressing 150 to 200 cattle a week at what now is Michigan avenue and Madison street and packing the beef in barrels in a warehouse at Dearborn and Water streets for shipment to Detroit. Those cattle had been driven overland 150 miles from the Wabash Valley.

This was the era of increasing migration to Chicago, and the meat packers stepped up their output to feed the growing population, just as they and other packers throughout the country must do now for the more than 7,000 daily increase in population of the United States.

The city had four meat packing plants in 1844, and eight in 1851. With the opening of the Illinois and Michigan Canal and the first spurline railroads, Chicago began to increase its meat packing operations much more rapidly. The Civil War brought demands for overnight ex-

pansion and vastly greater production to feed the Union Army, and by 1864 the city's packing plants numbered 58.

Chicago's better transportation had subordinated Alton and Beardstown as competitors as early as 1852. By topping the half-million mark in dressed livestock during the 1861-62 season, Chicago became the meat capital of a rapidly growing nation.

The Union Stock Yards opened for business Christmas Day 1865, with the largest and best livestock handling facilities in the country. Increasing receipts of livestock upped the local slaughter to more than a million head in 1870; to more than six million in 1880; to more than nine million in 1890. From 1891 on into the 1920's the annual slaughter in Chicago varied between ten and fourteen million animals a year.

World War I called for drastically increased production, technological advances, and new methods of packing and shipping. Postwar 1919 became a new record year in dollar volume of production—\$1.8 billion. In 1933, Chicago packers dressed and processed one-seventh of all the meat produced in the United States—enough to supply the entire population of France, Belgium, Holland, Denmark, Norway, and Sweden. With the branching out of recent years, Chicago packers now process about five per cent of all meat produced in this country.

An economic recession in 1921-22 curtailed consumer demand, and the packers, over-expanded by the war, were caught with tremendous inventories of meat. Sizeable losses were suffered in many instances. In the mid-20's, Chicago, like every other large central market, began to feel the effects of increased slaughtering of livestock, especially hogs, in interior markets. The packing industry itself showed a tendency toward branching out, and slaughtering as well as livestock receipts, decreased at the central markets. This trend continues to the present. For instance, Swift and Company no longer slaughters hogs in its Chicago plants but carries on this operation in branch houses, as does Armour and Company with sheep and lambs.

Today, with about two-thirds of all livestock being raised west of the

Mississippi and two-thirds of the consumers living east of the river, it is imperative that the meat packing industry spread out so as to reduce transporting charges on live animals. As a result, Omaha within the last few years has emerged as a strong secondary packing center. The Cudahy Packing Company moved its headquarters to Omaha in 1950, but still calls Chicago "the center of our sales market."

The average haul of livestock from the farm to the packing house is about 500 miles, while the fresh, cured and other meats resulting from the processing travel an average of approximately 1,000 miles from the packing plants to reach the ultimate consumer.

No major industry has been more stable than the meat industry through the years in employment and output. Of course, with the growth of other industries in the Chicago area since World War II, percentage-wise meat packing has lost rank. From a dollars-and-cents standpoint meat packing employees have more than held their own; in fact, their average weekly earnings have exceeded those for general

manufacturing in nine of the last ten years, as the following shows.

AVERAGE WEEKLY EARNINGS

	Meat Packing	All Mfg.
1953	\$77.64	\$71.69
1952	73.39	67.97
1951	68.30	64.71
1950	60.94	59.33
1949	58.02	54.92
1948	59.15	54.14
1947	55.57	49.97
1946	45.65	43.82
1945	45.65	44.39
1944	45.24	46.08

Of tremendous importance locally is the relationship of the livestock and meat industry to banking, to transportation and to trade. The financing of livestock purchases and meat packing plant operations is an important segment of the city's banking business, contributing toward making Chicago a great financial center. In normal times, lard and provisions figure importantly in the future's trading on the Chicago Board of Trade.

Just as the railroads figured in the city's development as the meat packing capital of the country, so

does meat packing figure to a major extent in the freight business handled by railroads and the trucking industry. During 1953 almost 21,000 rail carloads of livestock and 175,000 truckloads of livestock were received at the stock yards.

Chicago's meat industry and Illinois and mid-western livestock production are inescapably interwoven. Illinois farmers alone received \$227 million from the sale of meat animals in 1940, more than \$447 million in 1945, and \$869 million in 1953. Actually, Illinois farmers were second only to the farmers in Iowa in the amount of money received for their meat animals last year. This has an important effect on retail trade and general business activity in the Chicago area. Iowa farmers received \$1.5 billion from the sale of their meat animals in 1953.

Another sidelight on the importance of the meat industry to the farmer is that the American meat packer—truly a pioneer in the sense that he had no European prototype—has made the farmer's livestock as negotiable as a government E bond.

A good indication of Chicago's standing as the meat capital of the

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world is the great concentration of headquarters of meat and livestock industry organizations here. The American Meat Institute — a research, educational and trade organization—literally speaks for the meat packing industry when, through the nation's press and radio, it makes public the annual earnings of the industry, reports significant price trends, forecasts future livestock supplies, and explains the economic complexities and steps involved in transporting and transforming live animals on farms and ranches into meat for America's dinner tables. The Institute represents nearly 500 members handling between 85 and 90 per cent of all the meat and meat products commercially produced in the United States. The National Live Stock and Meat Board, the National Association of Retail Meat Dealers, the National Association of Retail Grocers, the National Livestock Exchange, and the National Live Stock Producers Association, also have their main offices in Chicago.

While the trend of livestock population on American farms has been generally downward in relation to the nation's increasing human population, there are offsetting factors to consider. Improved sanitation, greater efficiency, and marketing of animals at younger ages—baby beef, etc.—are permitting more rapid turnover of livestock on the farms. Hybrid corn is bringing greater yields in feed for livestock, and hybrid livestock experiments may also mean more meat ultimately at the packing plant.

Meat Consumption

Another factor that will have a bearing on the meat industry's future in Chicago is the trend of meat consumption in the United States. The trend has been generally upward for the past 15 years, except for war-born dips. The 1944 peak of 150 pounds of meat per capita was exceeded last year by three pounds, and the figure is expected to rise another two pounds this year to 155 pounds per person. Continuation of this trend will have a beneficial effect on the Chicago meat industry at least equal to that on other packing centers.

Whatever the future may develop, Chicago is still on top in the meat

industry. In 1953, Chicago led second place Omaha in saleable receipts by 426,523 hogs, and 145,813 head of cattle, while Omaha had a slight advantage of 26,234 calves and 220,956 sheep and lambs.

Meat packing is a business of rapid turnover where a penny saved is a "must" if any profit at all is to be realized. This is a lesson that can be absorbed rather quickly by watching the famed "dis-assembly lines" in the big pork plants. These, according to one Packingtown boast, inspired Henry Ford to develop a reverse process for building cars. Economy rules the slaughter houses. Everyone has heard the expression: "The packers use everything but the squeal." Inside the plants, cleanliness is put ahead of decoration. Outside, Packingtown looks as if it doesn't like to spend money just for appearance, which it doesn't, perhaps because it can't afford it.

Last year out of each sales dollar—which means income from all sources, by-products included—meat packers paid 75.6 cents for livestock

and other farm products, 11.9 cent for payrolls, 10.5 cents for other necessary expenses, and 1.2 cents for taxes. This left a mere eight-tenth of a cent for profit. It is evident that if the packer had made no profit at all the consumer would never have noticed the difference in the price paid for meat.

Another indication of the smallness of meat packing profits is the fact that 17 of the nation's largest companies, other than meat packers, realized individual profits in 1953 in excess of those for the entire meat packing industry. Collectively these 17 firms earned profits of 9.1 cents per dollar of sales. All U. S. manufacturing corporations last year realized individual profits in 1953 of 9.1 cents per dollar of sales.

The meat packing industry is concerned that unless these meager profits can be boosted a bit, the day is approaching when it will lack sufficient funds for research, development of new products, new machines, modern merchandising and plant replacement.

Buses

(Continued from page 255)

mendously, yet bus fares, if anything, are lower today. One-way fare, Chicago to New York, was \$20.50 about 1927. Present fare, excluding tax, is \$18.95. The average rate is 1.98 cents a mile, as compared with as high as four and five cents a mile in the early days of intercity bus travel. More efficient operating methods and equipment, improved roads, larger capacity buses and greater fleet utilization are the answer.

One of the fastest growing phases of the business is the package or all-expense tour, a development which literally was born of the Chicago "Century of Progress Exposition." Greyhound had acquired substantial stock interests in bus lines operating in territories between Chicago and New York by 1929, and that year it embarked on a program of purchasing stock interests in bus companies in other sections of the United States. The depression caught the company midstride in its cross-country race. Business was poor but, placing its faith in the exposition, the company contracted to operate 60 special buses on the fair grounds, and, in addi-

tion, it leased blocks of rooms in downtown hotels and proceeded to organize tours to the fair from every state in the union. It was a long chance, and it paid off.

Now expense-paid bus tours are offered as travel attractions to every section of the country. National Trailways Bus System introduced the package tour on its member lines in 1939. The number of tour offerings runs into the hundreds. Greyhound alone had 58 tour offerings from Chicago this year, ranging from three days to three weeks or more. Among short trips is a three-day "Historic Illinois" tour to the Lincoln country around Springfield, available all year.

The intercity bus lines look for continued growth. Their confidence in Chicago and its future is well exemplified by their new and expanding bus terminal and garage facilities, built or contemplated. Bus passenger traffic in and out of the city will be encouraged as Chicago completes its program of express highway construction.

Chemicals

(Continued from page 98)

Chicago by Scientific Oil Compounding Co.

Chicago continues to be one of the three largest soap manufacturing centers in the country, with sales of about \$100 million a year. Two of the biggest producers—Proctor and Gamble and Lever Bros.—have plants here. Armour makes 80 per cent of its soap products here, while Sudahy makes 75 per cent of its scouring powder in East Chicago. Diversey Corp. is a leading producer of specialty cleaning compounds.

Detergents are represented by Ninol Laboratories and Stepan Chemical Co., and detergent raw materials by Standard of Indiana, Continental Oil Co., and Ultra Chemical Works, Inc. Stepan recently developed a process for making tallow-based detergents which porounds a new market for the tallow and grease byproducts of meat packing. Two of the meat packers—Armour and Swift—are developing similar processes.

By-Product Chemicals

The coke ovens that supply Chicago's steel mills produce large ton-nages of useful byproduct chemicals such as benzene, toluene, naphthalene, and ammonium sulphate. United States Steel produces these at Joliet and Gary, while Interlake Iron Corp. makes ammonium sulphate in Chicago. Inland Steel is also a major producer of coke chemicals. Koppers Co. produces roofing and paving tars.

Chicago is well represented in the mushrooming petrochemicals industry, which derives useful chemicals from petroleum. In this field are Standard Oil of Indiana's subsidiary, Indoil Chemical Co.; National Petrochemical Corp., Cities Service Oil Co., Spencer Chemical Co., Barrett Division of Allied Chemicals and Dye Corp., Ringwood Chemical Corp. and Union Carbide and Carbon Corp.

Chemicals used in food are made by a number of companies. International Minerals and Chemical Corp. produces monosodium glutamate, while Griffith Laboratories makes purified spices, meat seasoning, curing salts, and anti-oxidants.

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long list of chemicals known as fatty acids and their derivatives. About ten per cent, or over 100 million pounds, of the nation's fatty acid production comes from the Armour fractionating plant at McCook. Swift produces an estimated 20-25 million pounds annually at its Technical Products Division plant. Darling and Co. is another important producer. Glycerine is a byproduct of all these fatty acid refining plants as well as of the area's soap factories.

Chemical By-Products

Bone and hide glues were among the first chemical byproducts of the meat industry. Swift is probably the largest adhesives producer among the packers, although all the major meat processors have a slice of the market. Other major producers of adhesives in the Chicago area are F. G. Findley Co., Paiseley Products Co., Minnesota Mining & Mfg. Co., LePage's Inc., and Williamson Adhesives, Inc.

Water treatment chemicals got a start in this area when a young

pharmacist, William H. Edgar, went for a walk on his lunch hour in 1897. He spotted a boiler so badly encrusted with scale it was no longer usable, being removed from a basement at State and Van Buren streets. Edgar reasoned that it would be much easier to remove scale than a boiler, and worked out a formula on a cookstove. He formed a partnership and then incorporated in 1897 as Dearborn Drug and Chemical Works. The name was changed to Dearborn Chemical Co. in 1914, and the company now makes over a hundred products for cleaning, disinfecting and water treatment.

Culligan Zeolite Co. got its start in 1936, when Emmett J. Culligan obtained permission to use two blocks of paved but untravelled street in Northbrook, Ill. to test his idea of using the sun to dry zeolite gel. The process is now used in Culligan's California plant, and a new \$500,000 plant has been built in Northbrook to make water softening equipment using the zeolite. Others in the water treatment field here are National Aluminate Co., Wright

Chemical Corp., and United States Movidyne Corp.

Hundreds of companies in the Chicago metropolitan area are in the chemical specialties business. Their products are usually blends of chemicals made up with a specific consumer in mind, and sold at retail. Clean Home Products Inc., Simoniz, O-Cedar Products, Standard Oil, and Swift are among the leading manufacturers in this field with plants and/or headquarters in Chicago.

Aerosol 'Bomb'

The biggest boom in the chemical specialties field has been started by the aerosol "bomb." Over 140 million aerosol bombs were sold at retail in 1953 for an estimated \$150 million. The Chicago area is a leading center for aerosol custom-filling industries.

Laundry bleaches and products are another large specialty business. Alexander Chemical Co. (Lemont), John Puhl Products Co., Lily White Products Co., and Linco Products Co. are among the better-known of the 25 local bleach makers.

The reason one chemical company settled here was summed up recently by William Block, Blockson's vice-president of sales: "Our location is ideal. Water transportation brings us phosphate rock from Tennessee, alkalis from Michigan. When we started making our own sulfuric acid a few years ago, it brought us sulfur from the south. Railroad transportation is excellent. We are close to the large Chicago market and right in the heart of the country's hard water area—our best customers."

Applies Generally

The same story, with only slightly different details, could be told by every other segment of the Chicago area chemical industry. Recently, Chemical Week estimated that the nation's chemical industry will expand its production about 75 per cent in the next decade—a growth rate five times that of any other industry. As the second largest chemical center in the nation, Chicago will not only share in that expansion, but may well add chemical production to its impressive list of "firsts."

Congratulations

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OUR 110TH

Brunswick

THE BRUNSWICK-BALKE-COLLENDER COMPANY

CHICAGO 5, ILLINOIS

Chicago Portrait

(Continued from page 80)

kitchen was the favorite gathering place of the family. Butter and milk were kept in an ice box. Bowling was practised on the green. The Potter Palmer residence with its castellated outline of feudal strength and magnificence," awed Chicagoans and strangers alike.

The electric refrigerator replaced the ice box and electrified suburban trains replaced the smoky engines along the lake front by the 1920's. Northerly Island was emerging from the lake, filled in by waste material from Chicago's industrial plants, wreckage of old buildings and trash, as the city prepared to celebrate its centennial in the World's Fair of 1933. In all, nearly 1,500 acres of submerged land were reclaimed and added to Grant Park. The Adler Planetarium, the earlier built Chicago Natural History Museum and the Shedd Aquarium, were a reality, too, by the time the city greeted its first Fair visitor. A giant stadium, christened Soldier Field in honor of the war dead, echoed to the shouts

and cheers of sports fans, music lovers, and others jamming the huge bowl for special events. The dream of a lake front development which Burnham had envisaged as far back as 1893 was being realized. The Outer Drive had linked Jackson Park with Grant Park, and with the opening of the Lake Shore Drive bridge, dedicated by the late President Franklin Delano Roosevelt in 1937, they were connected with Lincoln Park.

A glance back over the fascinating changes that have taken place in Chicago over the last half century arouses admiration and respect for the leadership of men and the inexorable economic laws that guided the City's destiny. And it inspires excited anticipation of the wonders that lie ahead.

There is every promise that the next 50 years will be even more eventful, more remarkable, and more interesting, than the last half century. A determined drive against slums is replacing blighted areas and

replacing them with such impressive housing projects as the New York Life Insurance Company's Lake Meadows apartments on the south side. Chicago's first new skyscraper office building in more than 20 years, the 41-story Prudential Building, is rising on a never-before exploited location of enormous possibilities, the air-rights above the Illinois Central Railroad's lake front tracks. Inland Steel Company plans a new office building at Monroe and Dearborn streets.

The Congress Street Expressway and other superhighway projects, O'Hare airport, the St. Lawrence Seaway, subway extensions, and other projects of the present or the immediate future, will have an impact that can only be guessed. Further in the future are such dreamed-of improvements as new railroad terminals, perhaps with consolidations of these facilities and relocation of railroad tracks to better planned positions.

The tempo of life is quickening in Chicago, and with each new accomplishment the will to take on newer and bigger tasks is enhanced.

50 YEARS OF PROGRESS

50 GREAT YEARS AHEAD...

Chicago's great Mid-America future is easily predictable. It is based upon the St. Lawrence Seaway extension, the diversity of our industry, the abundance of our labor, the stability of our spendable income, the planned revitalization of our City's heart, and the soon to be realized benefits from Chicago's huge public works program.

We at Arthur Rubloff & Co. intend to keep pace with the future, as we have with the past. Our role in Chicago's future is, we believe, also predictable — based upon such forward-looking projects as the Evergreen Plaza, North Michigan Avenue's "Magnificent Mile," Drexel Homes, and the Fort Dearborn project.

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Special gauge is used to check engraving at W. F. Hall Printing Co.

Printing and Publishing

(Continued from page 92)

first, you had to make a drawing of the object to be printed in color. This was largely because of the lack of adequate lighting. In the early color studios, cameras had to be mounted on turntables to take full advantage of sunlight. The early presses printed only one color at a time. Drying seldom required less than two hours and often took a couple of days.

These problems have been solved or substantially lessened. Perhaps the best evidence is the increase in color printing speed—from about 1,000 signatures an hour in 1900 to as many as 14,000 today. (A signature runs from four to 72 pages).

Present color-printing techniques involve heat-set inks that dry almost instantly, presses that print four or five colors on both sides of the paper in one run, and the use of color photographs that can be prepared in a few minutes instead of the old color drawings that required days or even weeks to finish. The studios are no longer dependent on sunlight. For now, besides vastly-improved arc-lamps, they have especially-designed fluorescent and incandescent illumination.

Because of the improvement of rotary presses, the development of anti-friction bearings, and the use of modular iron, nickel-iron, and other lightweight metals, the speed of letterpress printing has about tripled since 1900. Two Chicago

firms have led in this evolution—Miehle Printing Press & Manufacturing Company, and Goss Printing Press Company. Miehle is the world's largest manufacturer of sheet-fed presses. About 75 per cent of the nation's newspapers use presses made by Goss.

Restore Old Books

A room where the monks of the Middle Ages would feel right at home is located in the north plant of R. R. Donnelley and Sons. Here expert craftsmen restore old books and documents and hand bind special books. Their equipment includes both ancient and modern tools, but their methods, acquired during an apprenticeship that lasts as long as seven years, are basically those that have been used by bookbinders for centuries.

The "extra bindery," as Donnelley calls it, provides a rare vantage point for watching the march of western civilization. There's a Gutenberg Bible in the room, a copy of the Canterbury Tales printed about 1484, and a title page from Isaac Newton's "Mathematica Principia." The contrast between this room and the rest of the great modern plant is a measure of Chicago's contribution to the continuing progress of civilization through the printed page.

Happy 50th Anniversary

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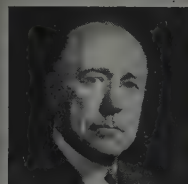


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Conventions

(Continued from page 176)

tional Housewares Manufacturers Association. Such medical specialty groups as the American Academy of Pediatrics and American Academy of Ophthalmology and Otolaryngology also meet here every year.

One of the largest annual conventions held in Chicago prior to World War II was the National Canners Association. It has grown to 20,000 persons and now meets here every other year, alternating between Chicago and Atlantic City.

More Space

Chicago has more meeting and exposition space than any other city in the United States. The International Amphitheatre can accommodate 12,500 persons; the Chicago Stadium 22,000, in contrast to the 18,500 seating capacity of New York's Madison Square Gardens; and the Coliseum, 9,500. Navy Pier has been used at times by convention groups

but chiefly for exposition purposes.

Enabling legislation to give Chicago a new convention center was passed at the 1953 session of the Illinois legislature. Construction is to be financed out of a one per cent tax on pari mutuel betting at horse race tracks of the state. A companion bill passed by the Illinois State legislature made available to the Chicago Park District an immediate appropriation of \$5,700,000 to get a new convention hall under way.

Surveys to determine national convention and trade show requirements have been completed and the project is about ready to go into the planning stage. No site has as yet been selected. Some five or six suggested by various civic organizations, including the Chicago Plan Commission, now are under study. The entire project has been placed under the Chicago Park Fair Corporation, a non-profit organization.

Chicago, always popular, began to

mushroom as a convention city during the Century of Progress in 1933. At that time the convention department established in 1906 by the Chicago Association of Commerce and Industry consisted of a director, two field representatives, and an office staff. In 1943 the Chicago Convention Bureau, Inc., was organized and set up as a separate entity to concentrate on the business of bringing conventions to Chicago. At the same time the Association set up a Visitors Bureau to promote Chicago as a year-around vacationland.

Convention Bureau

The Chicago Convention Bureau now employs a staff of 17, including five full time traveling sales representatives. Additionally it maintains a roll of 100 available trained persons, including bonded cashiers, who are on call to assist with convention registration. For large conventions the bureau handles housing, including the assignment of individual hotel reservations.

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Statistics of Chicago 1904-54

STEEL PRODUCTION METROPOLITAN AREA

(000 net tons)

	1953	1952	1951	1950	1949	1948	1947
Jan.	1,762	1,606	1,549	1,441	1,462	1,377	1,320
Feb.	1,581	1,511	1,374	1,281	1,332	1,275	1,219
Mar.	1,834	1,658	1,625	1,362	1,477	1,391	1,394
Apr.	1,792	1,253	1,597	1,483	1,426	1,261	1,341
May	1,853	1,492	1,660	1,546	1,470	1,360	1,303
Jun.	1,761	199	1,567	1,478	1,382	1,365	1,362
Jul.	1,705	209	1,618	1,487	1,240	1,316	1,348
Aug.	1,729	1,491	1,599	1,420	1,335	1,368	1,358
Sep.	1,676	1,596	1,558	1,489	1,325	1,369	1,323
Oct.	1,718	1,727	1,569	1,561	80	1,448	1,397
Nov.	1,661	1,706	1,573	1,532	623	1,409	1,350
Dec.	1,559	1,724	1,566	1,512	1,429	1,411	1,344
	20,628	16,172	18,855	17,590	14,584	16,351	16,060
Jan.	741	1,455	1,465	1,437	1,394	1,298	
Feb.	248	1,326	1,374	1,289	1,271	1,165	
Mar.	1,230	1,485	1,453	1,416	1,420	1,321	
Apr.	1,097	1,414	1,413	1,367	1,387	1,268	
May	800	1,445	1,463	1,380	1,443	1,331	
Jun.	1,113	1,364	1,400	1,338	1,374	1,300	
Jul.	1,297	1,374	1,436	1,421	1,402	1,351	
Aug.	1,350	1,124	1,429	1,420	1,399	1,354	
Sep.	1,237	1,198	1,286	1,383	1,360	1,309	
Oct.	1,345	1,172	1,415	1,445	1,420	1,336	
Nov.	1,254	1,231	1,388	1,410	1,353	1,314	
Dec.	1,158	1,236	1,440	1,411	1,392	1,376	
	12,871	15,824	17,062	16,717	16,615	15,723	
Jan.	1940	1939	1938	1937	1936	1935	
Feb.	1,162	641	331	1,036	680	760	
Mar.	820	618	284	967	742	733	
Apr.	758	739	376	1,108	846	677	
May	738	663	384	1,095	901	664	
Jun.	917	626	376	1,081	937	682	
Jul.	1,124	644	284	821	925	540	
Aug.	1,183	673	398	1,059	929	605	
Sep.	1,257	738	464	1,155	961	762	
Oct.	1,175	874	502	1,025	942	771	
Nov.	1,264	1,157	581	725	1,004	763	
Dec.	1,231	1,178	712	430	987	771	
	1,215	1,180	705	324	989	783	
	12,844	9,731	5,397	10,862	10,843	9,928	

Compiled by: Industrial Department, The Chicago Association of Commerce and Industry

SCHEDULED AIR LINE PASSENGER ARRIVALS

	1953	1952	1951	1950	1949	1948	1947
Jan.	219,164	166,822	146,100	91,334	72,918	73,968	76,382
Feb.	212,076	162,355	122,373	91,411	76,986	64,888	77,901
Mar.	243,046	191,643	166,624	117,002	103,665	78,556	101,498
Apr.	277,369	220,349	181,785	134,947	118,534	98,923	110,190
May	295,057	226,678	201,540	159,155	131,846	106,524	123,381
Jun.	310,845	259,862	202,840	172,124	144,994	119,698	118,800
Jul.	300,256	241,008	198,279	157,465	134,126	115,909	127,606
Aug.	312,523	258,826	213,641	168,415	134,152	117,188	132,910
Sep.	307,676	264,521	213,861	165,345	139,545	115,640	132,811
Oct.	309,789	271,913	220,349	174,462	137,034	121,390	127,463
Nov.	255,367	221,902	178,717	140,692	109,450	93,016	85,810
Dec.	254,369	202,834	157,509	139,477	90,914	91,939	76,809
	3,297,537	2,688,713	2,203,627	1,711,829	1,394,164	1,197,639	1,291,461
Jan.	1946	1945	1944	1943	1942	1941	1940
Feb.	62,540	37,112	28,693	17,777	22,700	14,551	15,627
Mar.	63,966	35,636	23,531	21,966	18,785	17,899	13,603
Apr.	80,281	50,641	26,135	25,139	28,055	20,264	18,747
May	101,675	52,510	28,353	27,798	36,295	26,215	24,133
Jun.	107,475	56,288	34,487	25,102	33,270	33,830	28,813
Jul.	114,776	57,930	40,036	30,114	24,495	37,260	31,688
Aug.	118,490	64,788	43,939	32,210	26,836	39,387	32,664
Sep.	134,446	65,922	49,337	32,866	29,241	41,800	34,682
Oct.	134,175	62,137	48,627	33,945	27,227	42,235	32,449
Nov.	128,115	67,279	51,609	33,836	27,620	37,495	36,936
Dec.	107,933	59,832	45,455	29,353	21,995	25,851	23,260
	106,319	53,358	38,246	28,943	17,243	24,232	16,243
	1,260,191	663,433	458,448	339,049	313,762	361,019	309,025

Source: Bureau of Aviation, City of Chicago

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Source: Chicago Association of Commerce and Industry Industrial Department

VALUE OF PRODUCTS MANUFACTURED METROPOLITAN AREA (000,000 omitted)

193	\$18,300	1929	\$ 5,558
192	16,700	1927	4,794
191	16,100	1925	4,689
190	15,000	1923	4,018
189	11,000	1921	3,161
188	12,030	1919	4,651
187	11,640	1914	1,483
186	8,680	1909	1,281
185	9,350	1904	955
184	4,278	1899	798
183	4,711	1889	665
182	3,317	1879	249
181	2,186	1870	92
180	3,098	1860	20

NOTE: Prior to 1919 figures refer to the city of Chicago only.

DEPARTMENT STORE SALES INDEX

1947-1949 AV.=100

Year	Average	Year	Average
1923	52	1939	46
1924	51	1940	49
1925	53	1941	53
1926	55	1942	56
1927	55	1943	60
1928	58	1944	66
1929	58	1945	72
1930	51	1946	93
1931	43	1947	100
1932	33	1948	103
1933	34	1949	96
1934	38	1950	105
1935	40	1951	103
1936	45	1952	110
1937	48	1953	108
1938	43		

Source: Federal Reserve Bank of Chicago.

CONVENTIONS HELD IN CHICAGO

Year	Conventions	Attendance
1906	201	165,000
1910	305	390,000
1920	700	650,000
1930	846	1,175,103
1940	830	1,000,800
1941	860	961,000
1942	956	433,310
1943	807	303,759
1944	405	269,000
1945	455	149,129
1946	882	522,238
1947	946	675,125
1948	1,056	882,245
1950	1,014	995,612
1951	996	949,600
1952	1,028	1,011,436
1953	1,010	1,027,381

TELEPHONES IN CHICAGO (000 omitted)

	Total No. of Telephones	Residential Telephones	Avg. No. Calls per Bus. day
City	Met. Area	City	Met. Area
1904	87	118	33
1910	239	301	120
1920	576	705	337
1930	981	1,259	558
1940	1,033	1,341	588
1941	1,078	1,416	617
1942	1,106	1,473	648
1943	1,152	1,539	679
1944	1,167	1,562	677
1945	1,205	1,613	689
1946	1,322	1,775	766
1947	1,396	1,903	812

1948	1,460	2,014	858	1,280	6,640
1949	1,496	2,075	888	1,342	6,512
1950	1,526	2,158	908	1,393	6,733
1951	1,550	2,227	918	1,435	6,606
1952	1,581	2,310	934	1,492	6,652
1953	1,606	2,395	947	1,551	6,658

*Not available

ASSESSED VALUATION OF REAL PROPERTY (000 omitted)

	Chicago	Suburbs	Total Cook County
1904	\$ 291,330	\$ 146,521	\$ 437,850
1914	707,366	371,458	1,078,824
1924	1,293,020	660,190	1,953,209
1934	1,489,918	338,006	1,827,924
1944	3,609,691	1,025,192	4,634,883
1945	3,492,293	1,014,620	4,506,913
1946	5,539,733	1,628,049	7,167,782
1947	5,753,362	1,606,461	7,359,823
1948	6,056,996	1,809,533	7,866,529
1949	5,976,587	1,853,020	7,829,607
1950	6,046,860	1,947,059	7,993,919
1951	6,668,066	2,150,126	8,818,191
1952	6,585,885	2,234,976	8,820,860
1953	6,623,758	2,355,719	8,979,476

NOTE: 1904-1924—Assessment of taxable property in Cook County includes equalized valuation of railroads and capital stock of corporations.

VEHICLE REGISTRATIONS

	Horse-drawn Vehicles	Passenger Automobiles 35 hp. or less	over 35 hp.	Trucks 30*
1904	60,000*	270*		
1914	49,785	24,034	2,791	5,044
1924	21,071	255,020	5,867	44,931
1934	4,126	356,054	12,531	48,894
1944	916	415,414	18,466	52,567
1945	777	409,794	17,985	53,851
1946	725	442,124	19,597	60,200
1947	710	490,351	22,459	66,309
1948	814	539,697	28,029	70,199
1949	540	598,846	35,506	71,464
1950	329	656,925	48,272	74,382
1951	279	668,157	66,628	76,624
1952	168	646,853	78,893	74,830
1953	119	665,589	99,353	73,004

*Estimated

DAILY NUMBER OF VEHICLES AND PASSENGERS ENTERING AND LEAVING THE CENTRAL BUSINESS DISTRICT

	Vehicles		Passengers	
	In	Out	In	Out
1926	132,913	129,441	880,859	822,547
1928	150,189	147,289	894,059	825,380
1929	153,629	141,002	925,145	849,924
1931	153,278	144,341	843,010	772,073
1935	153,325	142,864	775,694	683,167
1936	162,023	156,285	801,798	722,539
1937	168,251	159,970	846,015	755,031
1938	174,636	172,226	812,133	757,031
1939	178,712	172,226	839,374	757,072
1940	184,062	174,434	824,366	772,354
1941	182,674	176,171	823,873	750,479
1942	157,547	147,513	803,521	734,335
1943	125,946	115,027	814,825	727,907
1944	124,485	118,416	796,015	723,520
1945	119,614	113,864	817,792	749,921
1946	167,396	157,469	950,009	869,607
1947	171,335	159,681	939,981	860,816
1948	186,698	177,309	970,972	901,586
1949	193,139	180,626	928,148	846,781
1950	196,030	185,047	880,233	822,171
1951	202,273	190,706	900,787	848,072
1952	194,996	187,851	885,559	822,987
1953	203,136	188,650	850,847	795,227

WHAT IS Polymerization ...AND WHO CARES?



WE don't expect you to know about such terms as polymerization, alkylation, Ultraforming, and catalytic cracking.

Translated, however, they are all methods developed by petroleum scientists to get more gallons of high-performance gasoline out of each barrel of crude oil. They are important to you because they mean you can go farther today on fewer gallons of gasoline than ever before.

Polymerization happens to mean simply joining together small molecules to make bigger ones. It's easy to understand, but actually doing it is not quite so easy. That's one reason why we spend more than a million dollars a month on research—finding new products, improving old ones, devising new and more economical manufacturing processes, developing better ways to extract oil from the ground.

Our reward is that a vigorous Midwest has entrusted us with the job of supplying an important share of its growing needs. To keep pace with our customers' demands we have grown from a \$500,000 corporation in 1889 to a \$2 billion corporation in 1954.



Standard Oil Company

(INDIANA)

WE are happy and pleased to salute the Chicago Association of Commerce on its Golden Anniversary.

It has been our privilege to serve architects, engineers and builders for a like period, namely fifty years. During that period of time we have primarily marketed daylighting products of various natures. Our service is national in scope.

We also manufacture and furnish floor lights for interior areas, corridors and special automatic ventilating units for safety factors primarily in industrial plants permitting of rapid exhaustion of smoke and fumes and also featuring ready and quick accessibility from roof areas in the event of fires and other hazards.

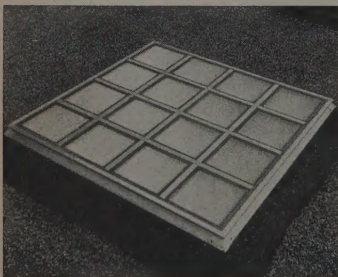
Among our principal products as of this date are American Top-Lights in aluminum grid construction, including in its assembly a selective light glass block semi-vacuum type, made by the Owens-Illinois Glass Company primarily for roof areas over classrooms in schools, and also for commercial and industrial buildings; galvanized steel and aluminum ventilating skylights for industrial plants, fire ventilators for stage areas in school auditoriums, theatres and the like; also Magnalite diffusing glass effective over wide areas and in uniform light pattern. All of these products meet the modern requirements for specific structures.

New, easy to install.

Glass block (light selective type)

A rooflight of real quality

AMERICAN TOP-LIGHTS TL54-1



AMERICAN 3-WAY
LUXFER PRISM CO.

431 S. Dearborn St.
Chicago, Illinois

KILOWATTHOURS OF
ELECTRICITY SOLD TO
ULTIMATE CONSUMERS
(000,000 omitted)

CHICAGO

	Resid. & Rural	Com'l. & Indus.	Rwy. & Other Sales	Total
	60		10	70
1904				
1910	168		377	544
1920	141	693	777	1,611
1930	537	2,099	1,042	3,678
1940	776	2,858	960	4,593
1941	801	3,212	962	4,976
1942	813	3,375	1,046	5,234
1943	835	3,865	1,120	5,820
1944	861	4,179	1,122	6,162
1945	911	4,030	1,101	6,042
1946	1,009	3,807	1,189	6,005
1947	1,050	4,380	1,204	6,634
1948	1,120	4,757	1,175	7,051
1949	1,189	4,773	1,134	7,097
1950	1,272	5,288	1,077	7,639
1951	1,305	5,662	1,013	7,979
1952	1,479	5,852	937	8,269
1953	1,533	6,374	916	8,823

METROPOLITAN AREA*

1930	649	2,693	1,210	4,552
1940	1,166	3,792	1,149	6,107
1941	1,240	4,388	1,161	6,789
1942	1,292	4,840	1,277	7,409
1943	1,348	5,669	1,366	8,383
1944	1,400	6,169	1,366	8,935
1945	1,496	5,901	1,359	8,757
1946	1,662	5,437	1,509	8,608
1947	1,813	6,369	1,592	9,774
1948	1,992	6,974	1,560	10,257
1949	2,184	6,978	1,534	10,695
1950	2,412	7,825	1,453	11,690
1951	2,564	8,592	1,427	12,583
1952	2,944	8,955	1,405	13,304
1953	3,172	9,832	1,437	14,441

*Entire area served by Commonwealth Edison Company.

Source—Commonwealth Edison Company

GAS CUSTOMERS
AND SALES
(Gas Sales 000,000 therms)

Year	No. of Custs.	Resid.	Com. Indus.	Total
1904	300,000			85
1910	487,000			122
1920	680,000			156
1930	834,221			197
1940	853,067	147	53	274
1941	868,562	147	55	258
1942	869,944	156	60	317
1943	871,324	163	60	272
1944	876,702	163	61	289
1945	888,500	177	61	256
1946	905,930	194	65	224
1947	913,442	225	74	185
1948	919,240	248	88	297
1949	927,615	266	105	364
1950	935,991	316	118	412
1951	942,519	332	115	399
1952	950,384	386	121	567
1953	959,458	412	120	572

METROPOLITAN AREA

		Not Segregated	
1930	1,088,821	61	
1940	1,141,467	397	690
1941	1,167,562	411	705
1942	1,176,844	491	811
1943	1,181,224	469	802
1944	1,192,102	484	816
1945	1,200,200	446	799
1946	1,226,430	400	783
1947	1,245,542	338	789
1948	1,263,840	538	1,038
1949	1,289,315	626	1,173
1950	1,316,291	688	1,344

1951	1,342,219	542	143	675
1952	1,374,384	658	151	949
1953	1,410,458	727	151	989

CHICAGO
POSTAL STATISTICS
(000 omitted)

Post Office Receipts
(Fiscal year ending June 30)

1900	\$ 7,064	1941	\$ 62
1910	18,971	1942	60.8
1920	43,005	1943	59.1
1930	61,375	1944	63.7
1931	53,589	1945	72.7
1932	45,066	1946	78.5
1933	42,284	1947	90.3
1934	43,042	1948	98.6
1935	46,865	1949	108.3
1936	50,306	1950	115.5
1937	56,288	1951	118.5
1938	56,099	1952	126.0
1939	57,144	1953	135.2
1940	59,213	1954	145.8

Pounds of Airmail Dispatched
(Calendar Year)

1936	3,095	1945	17.6
1937	3,060	1946	8.8
1938	3,137	1947	10.3
1939	3,386	1948	12.7
1940	2,954	1949	13.9
1941	4,946	1950	17.6
1942	7,581	1951	21.5
1943	12,648	1952	22.4
1944	16,857	1953	54.8

Pounds of Airmail by
Helicopter Air Service, Inc.
(Calendar Year)

1950	2,648	1952	1.7
1951	1,184	1953	1.7

TOTAL ANNUAL PUMPAGE
CHICAGO WATER SYSTEM

(000,000 omitted)
Gallons

1904	146,058
1910	189,281
1920	282,955
1930	386,696
1940	352,742
1941	356,672
1942	348,976
1943	356,078
1944	357,679
1945	351,758
1946	354,923
1947	357,653
1948	355,684
1949	354,912
1950	347,038
1951	349,361
1952	354,265
1953	367,396

POPULATION

	Chicago	Metropoli Area
1954	3,725,000	5,775,000
1950	3,620,962	5,495,360
1940	3,396,808	4,825,520
1930	3,376,438	4,675,880
1920	2,701,705	3,521,780
1910	2,185,283	2,752,820
1900	1,698,575	2,092,880
1890	1,099,850	1,389,660
1880	503,185	731,430
1870	298,977	482,100
1860	109,260	246,440
1850	29,963	104,290
1840	4,470	34,500
1830	100*	

*Approximated